



JAMES E. MCGREEVEY  
*Governor*

**State of New Jersey**  
DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
PURCHASE BUREAU  
P.O. Box 230  
TRENTON, NJ 08625-0230

JOHN E. MCCORMAC, CPA  
*State Treasurer*

February 27, 2004

**TO:** All Bidders

**RE:** RFP #: 04-X-36752  
AUDITING SERVICES, NJ ENVIRONMENTAL  
INFRASTRUCTURE TRUST

Enclosed please find a complete set of bid documents for the above referenced solicitation.

The following are the key dates for the project:

| Date           | Time      | Event   |
|----------------|-----------|---|
| March 9, 2004  | 5:00 p.m. | <b>Bidders' Questions Due Date</b><br>(Refer to <a href="#">RFP Section 1.3.1</a> for more information) |
| March 19, 2004 | 2:00 p.m. | <b>Bid Submission Due Date</b><br>(Refer to <a href="#">RFP Section 1.3.4</a> for more information)     |

All questions concerning the RFP contents and the bidding process must be directed to the undersigned.

**Note: This bidding opportunity is limited to certified public accounting firms.**

Sincerely,

***Christine Weiland***

Christine Weiland  
Team Leader

E-Mail Address: [Christine.Weiland@Treas.State.NJ.US](mailto:Christine.Weiland@Treas.State.NJ.US)  
Phone: (609) 984-6269  
Fax: (609) 292-5170

# **ATTENTION VENDORS**

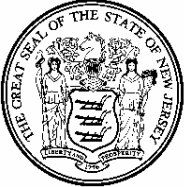
## **Vendor Information and Bidding Opportunities**

The Purchase Bureau maintains a bidders mailing list. You as a vendor may have basic information about your firm added to the bidders mailing list by visiting our website at <http://www.state.nj.us/treasury/purchase/forms/forms.htm> and submitting a bidders mailing list application online. You may also download the application and instructions and submit the application by mail. Applications submitted online are processed more quickly than mailed applications.

A bidders mailing list application gives you the opportunity to identify yourself as a potential bidder for the types of goods and services that your firm provides. The Purchase Bureau attempts (but does not guarantee) to provide firms on the bidders mailing list with notice of bidding opportunities related to the goods and services identified in the application.

If you are already on the Purchase Bureau's bidders mailing list and you need to change your information, contact Bid List Management at (609) 984-5396

Note: If you are an awarded State contractor and payments are not being directed to your proper remit-to address, you must send a letter on company letterhead to the Office of Management and Budget, Vendor Control Unit, PO Box 221, Trenton, NJ 08625 or fax that letter to 609-292-4882. In the letter you must include the current incorrect remit to address and your new correct remit-to address. If you have any question about this process you may call (609) 292-8124 for more information.

|  |   |  |  |
|--|---|--|--|
|  | <b>STATE OF NEW JERSEY<br/>REQUEST FOR PROPOSAL</b>   | <b>BID NUMBER: <u>04-X-36752</u></b>   |  |
|  | <b>FOR: AUDITING SERVICES, NJ<br/>ENVIRONMENTAL<br/>INFRASTRUCTURE TRUST</b>  | TERM CONTRACT #: <u>T-2249</u><br>REQUESTING AGENCY: <b>New Jersey Environmental<br/>Infrastructure Trust</b>  |  |
|  | ESTIMATED AMOUNT: N/A<br>CONTRACT EFFECTIVE DATE: <b>5/1/04</b><br>CONTRACT EXPIRATION DATE: <b>4/30/07</b><br>COOPERATIVE PURCHASING: <u>NO</u><br>SET ASIDE: None | <b><u>DIRECT QUESTIONS CONCERNING THIS RFP TO:</u></b><br>CHRISTINE WEILAND<br>PHONE NUMBER: (609) 984-6269<br>FAX NUMBER (609) 292-5170<br>E-MAIL ADDRESS: <a href="mailto:Christine.Weiland@treas.state.nj.us">Christine.Weiland@treas.state.nj.us</a> |  |

**TO BE COMPLETED BY BIDDER:**

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_  
 \_\_\_\_\_

**PURSUANT TO N.J.S.A. 52:34 - 12 AND N.J.A.C. 17:12 - 2.2, PROPOSALS WHICH FAIL TO CONFORM WITH THE FOLLOWING REQUIREMENTS WILL BE AUTOMATICALLY REJECTED:**

- 1) **PROPOSALS MUST BE RECEIVED AT OR ON BEFORE THE PUBLIC OPENING TIME OF 2 p.m. on March 19, 2004 AT THE FOLLOWING PLACE: DEPARTMENT OF THE TREASURY, PURCHASE BUREAU, PO BOX-230, 33 WEST STATE STREET, 9TH FLOOR, TRENTON, NEW JERSEY 08625-0230. TELEPHONE, TELEFACSIMILE OR TELEGRAPH PROPOSALS WILL NOT BE ACCEPTED.**
- 2) THE BIDDER MUST SIGN THE PROPOSAL.
- 3) THE PROPOSAL MUST INCLUDE ALL PRICE INFORMATION. PROPOSAL PRICES SHALL INCLUDE DELIVERY OF ALL ITEMS, F.O.B. DESTINATION OR AS OTHERWISE PROVIDED. PRICE QUOTES MUST BE FIRM THROUGH ISSUANCE OF CONTRACT.
- 4) ALL PROPOSAL PRICES MUST BE TYPED OR WRITTEN IN INK.
- 5) ALL CORRECTIONS, WHITE-OUTS, ERASURES, RESTRIKING OF TYPE, OR OTHER FORMS OF ALTERATION, OR THE APPEARANCE OF ALTERATION, TO UNIT AND/OR TOTAL PRICES MUST BE INITIALED IN INK BY THE BIDDER.
- 6) THE BIDDER MUST SUBMIT WITH THE PROPOSAL BID SECURITY IN THE AMOUNT OF \$ 0 OR 0 %.  
CHECK THE TYPE OF BID SECURITY SUPPLIED:  
  
 ANNUAL BID BOND ON FILE: \_\_\_\_\_ BID BOND ATTACHED: \_\_\_\_\_  
  
 CERTIFIED OR CASHIERS CHECK ATTACHED: \_\_\_\_\_ LETTER OF CREDIT ATTACHED: \_\_\_\_\_
- 7) THE BIDDER MUST COMPLETE AND SUBMIT, PRIOR TO THE SUBMISSION OF THE PROPOSAL, OR ACCOMPANYING THE PROPOSAL, THE ATTACHED OWNERSHIP DISCLOSURE FORM. (SEE N.J.S.A. 52:25-24.2). [SEE ATTACHMENT 1](#)
- 8) THE BIDDER MUST ATTEND THE MANDATORY PRE-BID CONFERENCE(S) AND SITE VISIT(S) AT THE FOLLOWING DATE(S) AND TIME(S):  
 PRE-BID CONFERENCE: NONE  
 SITE INSPECTION: NONE

**ADDITIONAL REQUIREMENTS**

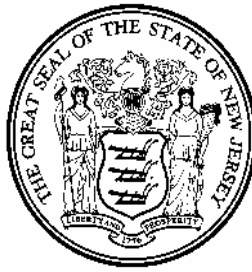
- 9) PERFORMANCE SECURITY: \$ 0 OR 0 %
- 10) PAYMENT RETENTION: **0%**
- 11) AN AFFIRMATION ACTION FORM ([ATTACHMENT 3 OF RFP](#))
- 12) A MACBRIDE PRINCIPALS CERTIFICATION ([ATTACHMENT 2 OF RFP](#))
- 13) REQUESTED DELIVERY: SEE DETAILS ELSEWHERE IN RFP
- 14) CERTIFICATION OR NOTIFICATION OF REGISTRATION WITH THE SECRETARY OF STATE IF A FOREIGN (NON-NJ) CORPORATION, IF NECESSARY (SEE N.J.S.A 14A:13-1 ET SEQ. AND N.J.A.C. 17:12-2.12).
- 15) FOR SET ASIDE CONTRACTS ONLY, N.J. DEPARTMENT OF COMMERCE REGISTRATION AS A SMALL BUSINESS (SEE N.J.A.C. 17:13-3.1).

**TO BE COMPLETED BY BIDDER**

- 16) DELIVERY CAN BE MADE \_\_\_\_\_ DAYS OR \_\_\_\_\_ WEEKS AFTER RECEIPT OF ORDER.
- 17) CASH DISCOUNT TERMS (SEE RFP) \_\_\_\_\_ %, \_\_\_\_\_ DAYS: NET \_\_\_\_\_ DAYS.
- 18) BIDDER PHONE NO: \_\_\_\_\_
- 19) BIDDER FAX NO. \_\_\_\_\_
- 20) BIDDER E-MAIL ADDRESS. \_\_\_\_\_
- 21) BIDDER FEDERAL ID NO. \_\_\_\_\_
- 22) YOUR BID REFERENCE NO. \_\_\_\_\_

SIGNATURE OF THE BIDDER ATTESTS THAT THE BIDDER HAS READ, UNDERSTANDS, AND AGREES TO ALL TERMS, CONDITIONS, AND SPECIFICATIONS SET FORTH IN THE REQUEST FOR PROPOSAL, INCLUDING ALL ADDENDA, FURTHERMORE, SIGNATURE BY THE BIDDER SIGNIFIES THAT THE REQUEST FOR PROPOSAL AND THE RESPONSIVE PROPOSAL CONSTITUTES A CONTRACT IMMEDIATELY UPON NOTICE OF ACCEPTANCE OF THE PROPOSAL BY THE STATE OF NEW JERSEY FOR ANY OR ALL OF THE ITEMS BID, AND FOR THE LENGTH OF TIME INDICATED IN THE REQUEST FOR PROPOSAL. FAILURE TO ACCEPT THE CONTRACT WITHIN THE TIME PERIOD INDICATED IN THE REQUEST FOR PROPOSAL, OR FAILURE TO HOLD PRICES OR TO MEET ANY OTHER TERMS AND CONDITIONS AS DEFINED IN EITHER THE REQUEST FOR PROPOSAL OR THE PROPOSAL DURING THE TERM OF THE CONTRACT, SHALL CONSTITUTE A BREACH AND MAY RESULT IN SUSPENSION OR DEBARMENT FROM FURTHER STATE BIDDING. A DEFAULTING CONTRACTOR MAY ALSO BE LIABLE, AT THE OPTION OF THE STATE, FOR THE DIFFERENCE BETWEEN THE CONTRACT PRICE AND THE PRICE BID BY AN ALTERNATE VENDOR OF THE GOODS OR SERVICES IN ADDITION TO OTHER REMEDIES AVAILABLE.

|                                  |                  |
|----------------------------------|------------------|
| 23) ORIGINAL SIGNATURE OF BIDDER | 24) NAME OF FIRM |
| 25) PRINT/TYPE NAME AND TITLE    | 26) DATE         |



**Bid Number: 04-X-36752**

**REQUEST FOR PROPOSAL  
FOR  
Auditing Services  
New Jersey Environmental Infrastructure Trust**

Purchasing Agency

State of New Jersey  
Department of the Treasury  
Division of Purchase and Property  
Purchase Bureau, PO Box 230  
33 West State Street  
Trenton, New Jersey 08625-0230

Using Agency

State of New Jersey  
NJ Environmental Infrastructure Trust  
PO Box 440  
Trenton, New Jersey 08625

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## **1.0 INFORMATION FOR BIDDERS**

### **1.1 PURPOSE AND INTENT**

This Request for Proposal (RFP) is issued by the Purchase Bureau, Division of Purchase and Property, Department of the Treasury, on behalf of the State of New Jersey. The purpose of this RFP is to solicit proposals from qualified bidders to serve as Auditor for the Trust (contractor) on behalf of the New Jersey Environmental Infrastructure Trust (Trust).

Refer to [RFP Section 3.0](#) (Scope of Work) for specific tasks to be performed under this contract.

The intent of this RFP is to award a contract to that responsible bidder whose bid proposal, conforming to this RFP, is most advantageous to the State, price and other factors considered.

### **1.2 BACKGROUND**

The Trust was organized pursuant to N.J.S.A. 58:11B-1 et seq., in August, 1986 as an instrumentality of the State exercising public and essential government functions. The Trust exists within, but is independent of any supervision or control by, the New Jersey Department of Environmental Protection (DEP). The purpose of the Trust is to provide financial assistance to New Jersey borrowers authorized to construct, operate and maintain environmental infrastructure systems. The Trust fulfills its purpose by issuing revenue bonds and using the proceeds to make loans to finance a portion of the costs of environmental infrastructure projects that borrowers in New Jersey are authorized to undertake and which they may lawfully finance through borrowings.

#### **1.2.1 POWERS AND STRUCTURE OF THE ENVIRONMENTAL INFRASTRUCTURE TRUST**

The Trust consists of a seven-member board of directors, three of whom, the State Treasurer, the Commissioner of the State Department of Community Affairs and the Commissioner of the State Department of Environmental Protection, are members ex-officio. The remaining four are Public Members, two appointed by the Governor and one each by the President of the Senate and the Speaker of the Assembly. The Trust's enabling legislation requires legislative and gubernatorial oversight of the Trust, including fiscal accountability and control over its operating expenses, lending activities, borrowing and debt obligations. Moreover, the Trust is required to have an audit of its books and accounts made at least once each year by certified public accountants. The State Attorney General serves as general counsel to the Trust.

The Trust has issued over \$1.237 billion in revenue bonds secured by, among other things, reserve funds, loan repayments from local government units, the ability to intercept State aid payable to local government units borrowing from the Trust, municipal bond insurance and letters of credit. The Trust first issued revenue bonds in 1987. Since then, the Trust has issued bonds each year. To date the Trust has sold 26 Revenue Bond Issues. Within these issues, some require additional breakdowns (for example, clean water and drinking water) due to the use of both federal seed money and State Bond Proceeds. Each portion is accounted for separately.

The proceeds from the Trust revenue bonds were matched with funds derived from the issuance of State of New Jersey general obligation bonds. Beginning with the second 1988 issue, the bonds were also matched with funds derived from the United States Environmental Protection Agency (EPA) pursuant to the Clean Water Act Amendments of 1987 and the Safe Drinking Water Act Amendments of 1996. With these funds, DEP provided matching loans to the same projects financed by the Trust. The contractor under this RFP will not be expected to audit any of the funds and accounts of the State relating to that portion of the financing provided by the DEP. But the contractor shall audit separate statements relating to the portion of each bond issue which is used to finance a loan deemed a federal loan.

The principal amount of each Trust loan consists of an amount equal to the sum of:

- (a) up to 50% of the project's allowable costs;
- (b) a share of the costs of issuance of the Trust Bonds used to fund the loan;
- (c) for many of the loans, capitalized interest allocable to each loan; and
- (d) in some cases, a portion of the loan dedicated to fund the debt service reserve fund.

The loan repayments are timed to pay the debt service on the Trust bonds attributable to such loan. Each loan was made by the Trust pursuant to a loan agreement between the Trust and the borrower, and was evidenced by a bond of the borrower issued to the Trust. The Trust charges each borrower an annual fee calculated on the initial principal amount of each borrower's loan. This rate is set annually by the Trust.

In order to facilitate Trust and State loan repayments from each borrower, the Trust entered into Loan Servicing Agreements with a Loan Servicer and the State with respect to each pool of Trust loans. On each semi-annual loan repayment due date, a borrower makes one payment to the Loan Servicer in an amount equal to the Trust loan repayment, the Trust semi-annual administrative fee payment, and the State loan repayment. Upon receipt of each such payment, the Loan Servicer applies it in accordance with the appropriate Loan Servicing Agreement, which is available upon request. In addition, starting with the 1995 Financing Program, the Trust has engaged the services of a Master Program Trustee, which collects from the Loan Servicer, the State Loan Repayments from the 1989 through the 2003 and future loans to provide extra security for the 1995 and future Trust bond issues and forwards payments to the State semi-annually in accordance with established schedules.

The Trust Bonds were issued under and pursuant to separate Trust Bond Resolutions. Each Resolution established the following funds and accounts which, other than the Operating Expense Fund held by the Trust, are held and maintained by the Trustee:

- Debt Service Funds, each consisting of an Interest Account, a Principal Loan Account, a Redemption Account, and a Capitalized Interest Account
- Debt Service Reserve Funds
- Project Funds, each consisting of separate Project Accounts for each loan
- Revenue Funds
- General Funds
- Rebate Funds

In addition, the Funds are divided into Drinking Water State Revolving Fund, Clean Water State Revolving Fund and Non State Revolving Fund components (as required by the EPA under the terms of the Capitalization Grant Agreement between the State and EPA governing the State's receipt and use of federal Water Quality Act moneys). All the Bond Resolutions are available in the Document Review Room (1.3.5).

The bond proceeds were used to purchase investments that mature according to the combined construction schedules of the projects. The investments are held in the name of the Environmental Infrastructure Trust by the Trustee and accounted for in the respective Project Funds, Debt Service Funds and when applicable, Debt Service Reserve Funds. Funds other than Trust Bond proceeds that have been used to finance Reserve Funds have also been invested and are held by the Trustee.

## **1.2.2 SYSTEMS, RECORDS AND PROCEDURES**

1.2.2.1 The Trust maintains its books and accounts on an accrual basis. The Trustee maintains its books and accounts relating to the Trust Bonds on a cash basis. All books and accounts are maintained on the State fiscal year which is July 1 through June 30.

1.2.2.2 All reports pertaining to the Trust's funds and accounts are public information, available at the offices of the Trust, or if necessary, at the offices of: the Trustee or Loan Servicers; Wachovia Bank, located at 21 South Street, Morristown, New Jersey 07960 or Bank of New York (NJ), 385 Rifle Camp Road, West Paterson, NJ 07424 or Commerce Bank located at 1701 Route 70 East, Cherry Hill, NJ 08034. The contractor should not assume that the Trustee and/or Loan Servicer, themselves, will have had an independent audit of these records. U S Bank Trust National Association, 100 Wall St., Suite 1600, New York, NY 10005 serves as the Master Program Trustee.

1.2.2.3 Trust Bond proceeds are disbursed to the borrowers by the Trustee by wire or by check only upon receipt and approval by the Trust of all required and appropriately approved documentation. Approximately 360 disbursements were made during fiscal year 2003.

1.2.2.4 All Trust operating expenses are disbursed by checks. Approximately 315 disbursements were made during the fiscal year, which ended June 30, 2003.



1.2.2.5 All securities resulting from the investment of Trust Bond proceeds and monies used for Reserve Funds were purchased by the Trust and or Trustee and held by the Trustee or the State's Cash Management Fund.

1.2.2.6 The Trust's operating funds are held in accounts at Wachovia Bank and in the State of New Jersey Cash Management Fund held by Morgan Stanley Trust Company, Harborside Financial Center, Plaza Two, Jersey City, New Jersey 07311.

### **1.3 KEY EVENTS**

#### **1.3.1 QUESTIONS AND INQUIRIES**

It is the policy of the Division to accept questions and inquiries from all potential bidders receiving this RFP.

Written questions can be mailed or e-mailed to the Purchase Bureau to the attention of the assigned Purchase Bureau buyer at the following address:

Attn: Christine Weiland  
State of New Jersey  
Division of Purchase and Property  
Purchase Bureau  
PO Box 230  
Trenton, New Jersey 08625-0230

E-Mail: Christine.Weiland@Treas.State.NJ.US  
Phone Number: 609-984-6269

##### **1.3.1.1 CUT-OFF DATE FOR QUESTIONS AND INQUIRIES**

The cut-off date for questions and inquiries relating to this RFP is March 9, 2004 by the close of business, 5:00 p.m.

Answers to questions will be released as an addendum to this RFP, approximately three days subsequent to the cut-off date for questions (see RFP Section 1.4.1).

##### **1.3.1.2 QUESTION PROTOCOL**

Questions should be submitted in writing to the attention of the assigned Purchase Bureau buyer. Written questions should be directly tied to the RFP by the writer. Questions should be asked in consecutive order, from beginning to end, following the organization of the RFP. Each question should begin by referencing the RFP page number and section number to which it relates.

Short procedural inquiries may be accepted by telephone by the Purchase Bureau buyer, however, oral explanations or instructions given over the telephone shall not be binding upon the State. Bidders shall not contact the Using Agency directly, in person, by telephone or e-mail, concerning this RFP.

##### **1.3.2 MANDATORY SITE VISIT**

Not applicable to this procurement.

##### **1.3.3 MANDATORY PRE-BID CONFERENCE**

Not applicable to this procurement.

#### 1.3.4 SUBMISSION OF BID PROPOSAL

In order to be considered for award, the bid proposal must be received by the Purchase Bureau of the Division of Purchase and Property at the appropriate location by the required time. **ANY BID PROPOSAL NOT RECEIVED ON TIME AT THE RIGHT PLACE WILL BE REJECTED. THE DATE, TIME AND LOCATION ARE:**

**DATE:** March 19, 2004

**TIME:** 2:00 PM

**LOCATION:** BID RECEIVING ROOM - 9TH FLOOR  
PURCHASE BUREAU  
DIVISION OF PURCHASE AND PROPERTY  
DEPARTMENT OF THE TREASURY  
33 WEST STATE STREET, P.O. BOX 230  
TRENTON, NJ 08625-0230

**Directions to the Purchase Bureau can be found on the following website:**

<http://www.state.nj.us/treasury/purchase/faqdirs.htm>

#### 1.3.5 DOCUMENT REVIEW ROOM

The State has established a document review room to provide bidders with the opportunity to review supplemental materials relevant to this procurement. The document review room has been established to allow bidders access to information that may be needed to prepare and submit accurate and comprehensive bid proposals. Such review, while recommended, is not mandatory.

The document review room will be located at:

New Jersey Environmental Infrastructure Trust, 3131 Princeton Pike, Building 6, Suite 201, Lawrenceville, NJ 08648 and will be accessible from 9 a.m. to 4 p.m. on the following dates: March 2, 2004 through March 8, 2004.

Please call at Mary Pearsall at 609-219-8600 or email at [mpearsall@njeit.org](mailto:mpearsall@njeit.org) to schedule an appointment to visit the document review room.

The document review room shall contain the following information:

- Annual Reports
- Chart of Accounts
- Bond Resolutions
- Bond Offering Statements

**NOTE:** BIDDERS ARE PROHIBITED FROM REMOVING ANY MATERIALS FROM THE DOCUMENT REVIEW ROOM. THE PURCHASE BUREAU WILL NOT PROVIDE FOR THE PHOTOCOPYING OF ANY MATERIALS CONTAINED IN THE DOCUMENT REVIEW ROOM. HOWEVER, BIDDERS ARE PERMITTED TO BRING PHOTOCOPY EQUIPMENT FOR THE PURPOSE OF COPYING MATERIALS.

**IMPORTANT NOTE:**

NO QUESTIONS OR INQUIRIES REGARDING THE SUBSTANCE OF THE RFP WILL BE ACCEPTED OR ANSWERED DURING THE DOCUMENT REVIEW. ALL QUESTIONS MUST BE SUBMITTED IN ACCORDANCE WITH RFP SECTION 1.3.1.

## **1.4 ADDITIONAL INFORMATION**

### **1.4.1 REVISIONS TO THIS RFP**

In the event that it becomes necessary to clarify or revise this RFP, such clarification or revision will be by addendum.

**ALL RFP ADDENDA WILL BE ISSUED ON THE PURCHASE BUREAU WEB SITE. TO ACCESS ADDENDA THE BIDDER MUST SELECT THE BID NUMBER ON THE PURCHASE BUREAU BIDDING OPPORTUNITIES WEB PAGE AT THE FOLLOWING ADDRESS:**

**[HTTP://WWW.STATE.NJ.US/TREASURY/PURCHASE/BID/SUMMARY/BID.SHTML](http://www.state.nj.us/treasury/purchase/bid/summary/bid.shtml)**

**There are no designated dates for release of addenda. Therefore interested bidders should check the Purchase Bureau "Bidding Opportunities" website on a daily basis from time of RFP issuance through bid opening.**

**It is the sole responsibility of the bidder to be aware of all addenda related to this procurement.**

In the event that it becomes necessary to clarify or revise this RFP, such clarification or revision will be by addendum. Any RFP addendum will be distributed as follows:

### **1.4.2 ADDENDUM AS A PART OF THIS RFP**

Any addenda to this RFP shall become part of this RFP and part of any contract resulting from this RFP.

### **1.4.3 ISSUING OFFICE**

This RFP is issued by the Purchase Bureau, Division of Purchase and Property. The buyer noted in [Section 1.3.1](#) is the sole point of contact between the bidder and the State for purposes of this RFP.

### **1.4.4 BIDDER RESPONSIBILITY**

The bidder assumes sole responsibility for the complete effort required in this RFP. No special consideration shall be given after bids are opened because of a bidder's failure to be knowledgeable of all the requirements of this RFP. By submitting a bid proposal in response to this RFP, the bidder represents that it has satisfied itself, from its own investigation, of all the requirements of this RFP.

### **1.4.5 COST LIABILITY**

The State assumes no responsibility and bears no liability for costs incurred by bidders before the award of the contract resulting from this RFP.

### **1.4.6 CONTENTS OF BID PROPOSAL**

The entire content of every bid proposal will be publicly opened and becomes a public record. This is the case notwithstanding any statement to the contrary made by a bidder in its bid proposal.

All bid proposals, as public records, are available for public inspection. Interested parties can make an appointment with the Purchase Bureau buyer to inspect bid proposals received in response to this RFP.

### **1.4.7 PRICE ALTERATION**

Bid prices must be typed or written in ink. Any price change (including "white-outs") must be initialed. Failure to do so may preclude an award being made to the bidder.

#### 1.4.8 JOINT VENTURE

If a joint venture is submitting a bid proposal, the agreement between the parties relating to such joint venture should be submitted with the joint venture's bid proposal. Authorized signatories from each party comprising the joint venture must sign the bid proposal. A separate Ownership Disclosure Form, Affirmative Action Employee Information Report, MacBride Principles Certification, and business registration must be supplied for each party to a joint venture.

## **2.0 DEFINITIONS**

The following definitions shall be part of any contract awarded or order placed as result of this RFP.

### **2.1 STANDARD DEFINITIONS**

**Addendum** – Written clarification or revision to this RFP issued by the Purchase Bureau.

**Amendment** – A change in the scope of work to be performed by the contractor. An amendment is not effective until it is signed by the Director, Division of Purchase and Property.

**Bidder** - An individual or business entity submitting a bid proposal in response to this RFP.

**Contract** - This RFP, any addendum to this RFP, and the bidder's proposal submitted in response to this RFP, as accepted by the State.

**Contractor** - The contractor is the bidder awarded a contract.

**Director** - Director, Division of Purchase and Property, Department of the Treasury. By statutory authority, the Director is the chief contracting officer for the State of New Jersey.

**Division** - The Division of Purchase and Property

**Evaluation Committee** - A committee established by the Director to review and evaluate bid proposals submitted in response to this RFP and to recommend a contract award to the Director.

**Fixed Price** - A price that is all-inclusive of direct cost and indirect costs, including, but not limited to, direct labor costs, overhead, fee or profit, clerical support, equipment, materials, supplies, managerial (administrative) support, all documents, reports, forms, travel, reproduction and any other costs. No additional fees or costs shall be paid by the State unless there is a change in the scope of work.

**May** - Denotes that which is permissible, not mandatory.

**Project** - The undertaking or services that are the subject of this RFP.

**Request for Proposal (RFP)** – This document which establishes the bidding and contract requirements and solicits bid proposals to meet the purchase needs of the Using Agencies as identified herein.

**Shall or Must** – Denotes that which is a mandatory requirement. Failure to meet a mandatory requirement will result in the rejection of a bid proposal as materially non-responsive.

**Should** - Denotes that which is recommended, not mandatory.

**Subtasks** – Detailed activities that comprise the actual performance of a task.

**State** - State of New Jersey.

**Task** – A discrete unit of work to be performed.

**Using Agency or Agency** - The entity for which the Division has issued this RFP and will enter into a contract.

## 2.2 CONTRACT DEFINITIONS

**Chief Financial Officer of the Trust (CFO)** – The individual responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work.

**Verification** – Checking of the escrow account balance in case of refinancing.

### **3.0 SCOPE OF WORK**

#### **3.1 AUDITING ACTIVITIES**

The contractor shall provide the following auditing activities:

3.1.1 An annual audit of all books, records and accounts related to the Trust bonds, performed in accordance with Government Accounting Standard Board (GASB) requirements by August 30 of each year of the contract.

3.1.2 An annual audit of all books, records and accounts related to the Trust's operational chart of accounts, performed in accordance with GASB standards by August 30 of each year of the contract.

The initial audit will be for the State Fiscal Year beginning July 1, 2003 and ending June 30, 2004.

The audit shall include but not be limited to the following:

- Examining deposits, vendors, vouchers, receipted bills, statements and any other supporting documentation
- Examining the Trust's and Trustee's accounts, obtaining evidence as to the existence of the funds in each account and determining that fund balances have been classified properly
- Examining the Loan Servicer's accounts relating to the borrower's Trust loan repayments administrative fee payments
- Verification of monies transferred between different Trust, Trustee and Loan Servicer funds and accounts

3.1.3 The issuance of a signed report of audit to the Board of Directors of the Trust which shall contain, at a minimum:

- (i) Balance Sheet
  - Consolidated (all funds)
  - Clean Water State Revolving Fund
  - Drinking Water State Revolving Fund
  - Combining Balance Sheet by Bond Issue
- (ii) Statement of Revenues, Expenses, and Charges in Net Assets
  - Consolidated (all funds)
  - Clean Water State Revolving Fund
  - Drinking Water State Revolving Fund
- (iii) Statement of Cash Flows
  - Consolidated (all funds)
  - Clean Water State Revolving Fund
  - Drinking Water State Revolving Fund
- (iv) A statement whether the balances in the Reserve Funds satisfy the requirements of the respective Bond Resolutions
- (v) a statement affirming the Trust's compliance with terms, covenants or provisions of the respective Bond Resolutions, or reporting knowledge of any default of these terms
- (vi) An opinion that the statements fairly present the financial position of the Trust

3.1.4 The review of the Trust's bond documents for the issuance, when appropriate, of comfort letters to facilitate subsequent revenue bond issues of the Trust.

3.1.5 The issuance of a separate report to the Trust assessing the effectiveness of the Trust's internal control procedures, and recommending any changes to those procedures.

The internal control assessment shall be submitted by November 30 of each year and its findings discussed in detail with the Trust.

3.1.6 To provide verification of escrows in case the Trust chooses to undertake an advanced refunding





The following is a listing of the bond issues to date:

| <b>Bond Series</b>                                 | <b>Trustee</b>               | <b>Loan Servicer</b>         |
|--|------------------------------|------------------------------|
| Series 1994A, B and C Refunding Bonds              | Wachovia                     | Bank of New York             |
| Series 1994A and B                                 | Wachovia                     | Bank of New York             |
| Series 1995A and B                                 | Bank of New York             | Wachovia                     |
| Series 1996A, B, C and D Refunding Bonds,          | Wachovia                     | Wachovia                     |
| Series 1996A and B                                 | Wachovia                     | Wachovia                     |
| Series 1997A, B, C and D Refunding Bonds           | Wachovia                     | Bank of New York             |
| Series 1997  | Wachovia                     | Wachovia                     |
| Series 1998A, B, C, D, E, F, and G Refunding Bonds | Wachovia or Bank of New York | Bank of New York or Wachovia |
| Series 1998A and B                                 | Wachovia                     | Wachovia                     |
| Series 1999A and B                                 | Wachovia                     | Wachovia                     |
| Series 2000A and B                                 | Bank of New York             | Commerce                     |
| Series 2001A, B and C                              | Bank of New York             | Commerce                     |
| Series 2001A and B Refunding Bonds                 | Wachovia                     | Bank of New York             |
| Series 2002A and B                                 | Wachovia                     | Commerce                     |
| Series 2003 Refunding Bonds                        | Wachovia                     | Bank of New York             |
| Series 2003  | Wachovia                     | Commerce                     |
| Any future Bond issues                             |                              |                              |

### **3.2 ENTRANCE CONFERENCE**

An entrance conference or engagement meeting may be held with the CFO and Senior Management of the Trust to discuss in detail, the scope and purpose of the audit.

### **3.3 FRAUD, SUSPICION OF FRAUD OR RECORDS UNABLE TO BE AUDITED**

Immediately upon the suspicion of or discovery of fraud, major accounting system deficiencies or material misstatements of accounts, the contractor shall immediately contact the CFO or the Board of Directors, whichever is appropriate in the situation. No further work shall be performed relating to these items unless instructed to do so by the CFO. The contractor may be required to provide a written report to the CFO detailing the nature of its findings in these situations.

If the contractor determines at any time during an audit engagement that the records are unauditable or lack documentation, resulting in a material effect on the financial statements and which would lead to a disclaimer of opinion, the contractor must notify the CFO immediately. The contractor shall provide a follow-up letter that details the reasons why the auditee is unauditable or why a disclaimer of opinion is necessary. The contractor shall not proceed to perform any further work until advised to do so by the CFO.

### **3.4 EXIT CONFERENCE**

Upon completion of the audit engagement and prior to submission of the final report, or at any other time as designated by the CFO or as deemed necessary by the contractor, the contractor will meet with the Executive Director of the Trust and/or CFO or his or her designated liaison to discuss audit findings.

### **3.5 AUDIT REPORTS**

#### **3.5.1 PRELIMINARY REPORTS**

The contractor shall prepare a preliminary (draft) audit report and shall attend a formal exit conference with the auditee to discuss any and all parts of the preliminary report. Copies of the preliminary audit report must be provided to the auditee and the CFO at least five (5) working days prior to the exit conference.

#### **3.5.2 FINAL AUDIT REPORT**

The contractor shall deliver thirty (30) bound and one electronic copies of the final report to the CFO. All distribution of these reports will be performed by the CFO.

### **3.6 WORK PAPERS**

The contractor shall, at any given time during the course of the audit and at the conclusion thereof, make available to the CFO or his or her designee for inspection or review, the work papers developed during the engagement. These work papers shall include:

- (a) The facts gathered and documents obtained;
- (b) Computations and analyses performed; and
- (c) Other pertinent data relating to the audit.

Audit work papers will be indexed in a logical manner and show evidence that each working paper or group of papers has been subjected to appropriate supervisory review. Working papers must show the name of the auditor who prepared the paper and must be clearly titled and dated.

Audit work papers must be retained for a period of not less than five (5) years from date of receipt of the contractor's final payment and will be made available to the CFO or representatives of the federal government when requested.

The contractor shall photocopy these papers upon request of the CFO.

### **3.7 LITIGATION SUPPORT**

The contractor should be prepared, when necessary, to offer expert testimony or other services regarding any litigation resulting from audit work done as part of this contract.

### **3.8 PROGRESS REPORTS**

The CFO may require the contractor to provide periodic progress reports. These progress reports will be in a format to be determined by the CFO.

## **4.0 PROPOSAL PREPARATION AND SUBMISSION**

### **4.1 GENERAL**

The bidder must follow instructions contained in this RFP and in the bid cover sheet in preparing and submitting its bid proposal. The bidder is advised to thoroughly read and follow all instructions.

The information required to be submitted in response to this RFP has been determined to be essential in the bid evaluation and contract award process. Any qualifying statements made by the bidder to the RFP's requirements could result in a determination that the bidder's proposal is materially non-responsive. Each bidder is given wide latitude in the degree of detail it elects to offer or the extent to which plans, designs, systems, processes and procedures are revealed. Each bidder is cautioned, however, that insufficient detail may result in a determination that the bid proposal is materially non-responsive or, in the alternative, may result in a low technical score being given to the bid proposal.

### **4.2 PROPOSAL DELIVERY AND IDENTIFICATION**

In order to be considered, a bid proposal must arrive at the Purchase Bureau in accordance with the instructions on the RFP cover sheet. Bidders submitting proposals are cautioned to allow adequate delivery time to ensure timely delivery of proposals. State regulation mandates that late bid proposals are ineligible for consideration. **The exterior of all bid response packages must be labeled with the bid identification number, final bid opening date and the buyer's name.** All of this information is set forth at the top of the RFP cover sheet.

### **4.3 NUMBER OF BID PROPOSAL COPIES**

Each bidder must submit **one (1) complete ORIGINAL bid proposal**, clearly marked as the "ORIGINAL" bid proposal. Each bidder should submit **nine (9) full, complete and exact copies** of the original. Bidders failing to provide the requested number of copies will be charged the cost incurred by the State to produce the required number of copies. It is suggested that the bidder make and retain a copy of its bid proposal.

### **4.4 PROPOSAL CONTENT**

The bid proposal should be submitted in one volume and that volume divided into four (4) sections as follows:

- Section 1 - Forms (Section 4.4.1)
- Section 2 - Technical Proposal (Section 4.4.2)
- Section 3 - Organizational Support and Experience (Section 4.4.3)
- Section 4 - Cost Proposal (Section 4.4.4)

The following Table describes the format of the bid proposal that should be prepared with tabs (separators), and the content of the material located behind each tab.

| TAB | CONTENTS                                       | RFP SECTION REFERENCE                                      | COMMENTS   |
|-----|--|--|--|
| 1   | Forms  | <a href="#">Cover sheet</a>                                | Completed and signed cover sheet (Page 3 of this RFP)  |
|     |  | <a href="#">4.4.1.1</a>                                    | Ownership Disclosure Form ( <a href="#">Attachment 1</a> )   |
|     |  | <a href="#">4.4.1.2</a>                                    | MacBride Principles Certification ( <a href="#">Attachment 2</a> )                                       |
|     |  | <a href="#">4.4.1.4</a>                                    | Notice of Intent to Subcontract Form and Subcontractor Utilization Plan ( <a href="#">Attachment 4</a> ) |
|     |  | <a href="#">1.1 of the Standard Terms &amp; Conditions</a> | Business Registration from Division of Revenue   |
|     |  | <a href="#">4.4.2.1</a>                                    | Management Overview  |
| 2   | Technical Proposal                             | <a href="#">4.4.2.2</a>                                    | Contract Management  |
|     |  | <a href="#">4.4.2.3</a>                                    | Contract Schedule  |
|     |  | <a href="#">4.4.2.4</a>                                    | Potential Problems   |
|     |  | <a href="#">4.4.3.1</a>                                    | Location   |
| 3   | Organizational Support and Experience Proposal | <a href="#">4.4.3.2</a>                                    | Organization Chart (Contract Specific)   |
|     |  | <a href="#">4.4.3.3</a>                                    | Resumes  |
|     |  | <a href="#">4.4.3.4</a>                                    | Backup Staff   |
|     |  | <a href="#">4.4.3.5</a>                                    | Organization Chart (Entire Firm)   |
|     |  | <a href="#">4.4.3.6</a>                                    | Experience of Bidder on Contracts of Similar Size and Scope  |
|     |  | <a href="#">4.4.3.7</a>                                    | Financial Capability of the Bidder   |
|     |  | <a href="#">4.4.3.8</a>                                    | Subcontractor(s)   |
|     |  |  |  |
| 4   | Cost Proposal                                  | <a href="#">4.4.4</a>                                      | Price Schedule ( <a href="#">Attachment 4</a> )  |

#### 4.4.1 SECTION 1 – FORMS

##### 4.4.1.1 OWNERSHIP DISCLOSURE FORM

In the event the bidder is a corporation or partnership, the bidder must complete the attached Ownership Disclosure Form. A completed Ownership Disclosure Form must be received prior to or accompany the bid proposal. Failure to do so will preclude the award of the contract.

The Ownership Disclosure Form is attached as [Attachment 1](#) to this RFP.

##### 4.4.1.2 MACBRIDE PRINCIPLES CERTIFICATION

The bidder must complete the attached MacBride Principles Certification evidencing compliance with the MacBride Principles. Failure to do so may result in the award of the contract to another vendor.

The MacBride Principles Certification Form is attached as [Attachment 2](#) to this RFP.

##### 4.4.1.3 AFFIRMATIVE ACTION

The bidder must complete the attached Affirmative Action Employee Information Report, or, in the alternative, supply either a New Jersey Affirmative Action Certificate or evidence that the bidder is operating under a federally approved or sanctioned affirmative action program. The requirement is a precondition to entering into a valid and binding contract.

The Affirmative Action Forms are attached as [Attachment 3](#) to this RFP.

#### **4.4.1.4 SET ASIDE CONTRACTS**

Not applicable to this procurement

#### **4.4.1.5 BID BOND**

Not Required.

### **4.4.2 SECTION 2 - TECHNICAL PROPOSAL**

In this Section, the bidder shall describe its approach and plans for accomplishing the work outlined in the Scope of Work Section, i.e., Section 3.0. The bidder must set forth its understanding of the requirements of this RFP and its ability to successfully complete the contract. This Section of the bid proposal should contain at least the following information:

#### **4.4.2.1 MANAGEMENT OVERVIEW**

The bidder shall set forth its overall technical approach and plans to meet the requirements of the RFP in a narrative format. This narrative should convince the State that the bidder understands the objectives that the contract is intended to meet, the nature of the required work and the level of effort necessary to successfully complete the contract. This narrative should convince the State that the bidder's general approach and plans to undertake and complete the contract are appropriate to the tasks and subtasks involved.

Mere reiterations of RFP tasks and subtasks are strongly discouraged, as they do not provide insight into the bidder's ability to complete the contract. The bidder's response to this section should be designed to convince the State that the bidder's detailed plans and approach proposed to complete the Scope of Work are realistic, attainable and appropriate and that the bidder's bid proposal will lead to successful contract completion.

#### **4.4.2.2 CONTRACT MANAGEMENT**

The bidder should describe its specific plans to manage, control and supervise the contract to ensure satisfactory contract completion according to the required schedule. The plan should include the bidder's approach to communicate with the CFO including, but not limited to, status meetings, status reports, etc.

#### **4.4.2.3 CONTRACT SCHEDULE**

The bidder should include a contract schedule. If key dates are a part of this RFP, the bidder's schedule should incorporate such key dates and should identify the completion date for each task and sub-task required by the Scope of Work. Such schedule should also identify the associated deliverable item(s) to be submitted as evidence of completion of each task and/or subtask.

The bidder should identify the contract scheduling and control methodology to be used and should provide the rationale for choosing such methodology. The use of Gantt, Pert or other charts is at the option of the bidder.

#### **4.4.2.4 POTENTIAL PROBLEMS**

The bidder should set forth a summary of any and all problems that the bidder anticipates during the term of the contract. For each problem identified, the bidder should provide its proposed solution.

### **4.4.3 SECTION 3 - ORGANIZATIONAL SUPPORT AND EXPERIENCE**

The bidder should include information relating to its organization, personnel, and experience, including, but not limited to, references, together with contact names and telephone numbers, evidencing the bidder's qualifications, and capabilities to perform the services required by this RFP.

**Note:** The bidder should include a description of its organizational structure, focusing on departments responsible for non-profit public agencies and governments.

The bidder should specifically identify the number of staff who will work under this contract.

Only full time permanent members of the bidder's firm shall be utilized under this contract.

The bidder shall identify staff by resume/experience and rate in accordance with the following professional skill classifications:

a) Partner

A partner is an individual who has ownership in the firm and the person who signs the audit report. A New Jersey issued CPA certificate is required for this position. Qualifications include a minimum of 10 years audit experience and managerial ability. This individual is charged with the overall management of the audit engagement and responsible for ensuring that all necessary disclosures are made in the audit report. This individual must have direct experience in the audit of government agencies which provide tax exempt financing.

b) Manager

This classification of staff reports directly to the partner. Qualifications include a minimum of five (5) years audit experience and managerial ability. A New Jersey CPA certificate is required for this position. This individual is responsible for the direct management of complex audit engagements including the technical review of audit working papers. This position requires technical research of complex accounting and auditing issues affecting presentation of audit reports. This individual must have direct experience in the audit of government agencies which provide tax exempt financing.

c) Supervisor

This classification of staff represents the third level of managerial position. A CPA certificate, in any of the states that have reciprocity with New Jersey, is required for this position. This individual performs the direct management over the field audit engagement and the complete detailed review of audit working papers for quality, completeness and adequate documentation to substantiate audit report findings. The supervisor must have direct experience in the audit of government agencies which provide tax exempt financing.

d) Senior

This classification of staff represents the highest level of audit field staff (in charge). The education background required is a bachelor's degree from an accredited college or university, and at least three (3) years of working experience in the audit of government agencies which provide tax exempt financing or with a CPA firm.

e) Staff

This position requires bachelor's degree from an accredited college or university. The position must represent a professional title in the bidder's organization and the individual should have a minimum of six (6) months of in-the-field auditing experience with a government agency or a CPA firm. All staff individuals should be directly supervised during the field assignment by an audit senior.

Each bidder should equate their professional skill classifications into the five (5) categories. Categories "a" through "c" represent managerial skill level positions. Categories "d" and "e" represent field audit staff. If the title differs in the bidder's organization, that title should be listed in parentheses after the particular category. Any bidder who does not have all five (5) classifications should so designate the particular category as not applicable. In addition, each bidder must indicate which categories require a CPA certification to achieve that professional skill classification within its firm.

Staff proposed in category "a" and "b" must be New Jersey certified CPAs.

#### **4.4.3.1 LOCATION**

The bidder shall include the location of the bidder's office that will be responsible for managing the contract. The bidder shall include the telephone number and name of the individual to contact.

#### **4.4.3.2 ORGANIZATION CHART (CONTRACT SPECIFIC)**

The bidder should include a contract organization chart, with names showing management, supervisory and other key personnel (including sub-contractor's management, supervisory or other key personnel) to be assigned to the contract. The chart should include the labor category and title of each such individual.

#### **4.4.3.3 RESUMES**

Detailed resumes should be submitted for all management, supervisory and key personnel to be assigned to the contract. Resumes should be structured to emphasize relevant qualifications and experience of these individuals in successfully completing contracts of a similar size and scope to those required by this RFP. Resumes should include the following:

- Clearly identify the individual's previous experience in completing similar contracts.
- Beginning and ending dates should be given for each similar contract.
- A description of the contract should be given and should demonstrate how the individual's work on the completed contract relates to the individual's ability to contribute to successfully providing the services required by this RFP.
- With respect to each similar contract, the bidder should include the name and address of each reference together with a person to contact for a reference check and a telephone number.

#### **4.4.3.4 BACKUP STAFF**

The bidder should include a list of backup staff that may be called upon to assist or replace primary individuals assigned. Backup staff must be clearly identified as backup staff.

In the event the bidder must hire management, supervisory and/or key personnel if awarded the contract, the bidder should include, as part of its recruitment plan, a plan to secure backup staff in the event personnel initially recruited need assistance or need to be replaced during the contract term.

#### **4.4.3.5 ORGANIZATION CHART (ENTIRE FIRM)**

The bidder should include an organization chart showing the bidder's entire organizational structure. This chart should show the relationship of the individuals assigned to the contract to the bidder's overall organizational structure.

#### **4.4.3.6 EXPERIENCE OF BIDDER ON CONTRACTS OF SIMILAR SIZE AND SCOPE**

The bidder should provide a comprehensive listing of contracts of similar size and scope that it has successfully completed, as evidence of the bidder's ability to successfully complete the services required by this RFP. Emphasis should be placed on contracts that are similar in size and scope to the work required by this RFP. A description of all such contracts should be included and should show how such contracts relate to the ability of the firm to complete the services required by this RFP. For each such contract, the bidder should provide the names and telephone numbers of two contact persons for the other contract party. Beginning and ending dates should also be given for each contract.

#### **4.4.3.7 FINANCIAL CAPABILITY OF THE BIDDER**

The bidder shall provide proof its financial capacity and capabilities to undertake and successfully complete the contract. To satisfy this requirement, the bidder shall submit a certified financial statement, including applicable notes, reflecting the bidder's assets, liabilities, net worth, revenues, expenses, profit or loss, and cash flow for the most recent calendar year or the bidder's most recent fiscal year; or, if a certified financial statement is not available, then either a reviewed or compiled statement from an independent accountant



setting forth the same information required for the certified financial statement. In addition, the bidder must submit a bank reference.

#### **4.4.3.8 SUBCONTRACTOR(S)**

A. Should the bidder propose to utilize a subcontractor(s) to fulfill any of its obligations, the bidder shall be responsible for the subcontractor's(s): (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws.

B. The bidder must provide a detailed description of services to be provided by each subcontractor, referencing the applicable Section or Subsection of this RFP.

C. The bidder should provide detailed resumes for each subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the subcontractor is designated to perform.

D. The bidder should provide documented experience demonstrate that each subcontractor has successfully performed work on contracts of a similar size and scope to the work that the subcontractor is designated to perform in the bidder's proposal.

#### **4.4.4 SECTION 4 - COST PROPOSAL**

The price schedule is attached as [Attachment 4](#) to this RFP.

The bidder must submit all requested pricing information. Failure to submit all requested pricing information may result in the bidder's proposal being considered materially non-responsive. Each bidder must hold its price(s) firm through issuance of contract to permit the completion of the evaluation of bid proposals received and the contract award process.

## **5.0 CONTRACTUAL TERMS AND CONDITIONS**

### **5.1 PRECEDENCE OF CONTRACTUAL TERMS AND CONDITIONS**

The contract shall consist of this RFP, Addendum to this RFP and the vendor's bid proposal, and the State's Notice of Acceptance.

Unless specifically noted within this RFP, the Special Terms and Conditions, attached as [Appendix 1](#), take precedence over the Standard Terms and Conditions.

In the event of a conflict between the provisions of this RFP, including the Standard Terms and Conditions and the Special Terms and Conditions, and any addendum to the RFP, the addendum shall govern.

In the event of a conflict between the provisions of this RFP, including any addendum to this RFP, and the bidder's proposal, the RFP and/or the addendum shall govern.

### **5.2 PERFORMANCE BOND**

Not applicable to this procurement

### **5.3 BUSINESS REGISTRATION**

See Standard Terms & Conditions, [Section 1.1](#).

### **5.4 CONTRACT TERM AND EXTENSION OPTION**

The term of the contract shall be for a period of three (3) years. The anticipated "Contract Effective Date" is provided on the cover sheet of this RFP. If delays in the bid process result in an adjustment of the anticipated Contract Effective Date, the bidder agrees to accept a contract for the full term of the contract.

The contract may be extended for two additional periods of up to one (1) year or portion thereof, by mutual written consent of the contractor and the Director at the same terms, conditions and pricing. The length of each extension shall be determined when the extension request is processed. However, the total term of the contract, including extensions, may not be more than five (5) years.

### **5.5 CONTRACT TRANSITION**

In the event services end by either contract expiration or termination, it shall be incumbent upon the contractor to continue services, if requested by the Director, until new services can be completely operational. The contractor acknowledges its responsibility to cooperate fully with the replacement contractor and the State to ensure a smooth and timely transition to the replacement contractor. Such transitional period shall not extend more than ninety (90) days beyond the expiration date of the contract, or any extension thereof. The contractor will be reimbursed for services during the transitional period at the rate in effect when the transitional period clause is invoked by the State.

### **5.6 AVAILABILITY OF FUNDS**

Not applicable to this procurement.

### **5.7 CONTRACT AMENDMENT**

Any changes or modifications to the terms of the contract shall only be valid when they have been reduced to writing and executed by the contractor and the Director.

### **5.8 CONTRACTOR RESPONSIBILITIES**

The contractor shall have sole responsibility for the complete effort specified in the contract. Payment will be made only to the contractor. The contractor shall have sole responsibility for all payments due any subcontractor.

The contractor is responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required to be provided under the contract. The contractor shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in its deliverables and other services. The approval of deliverables furnished under this contract shall not in any way relieve the contractor of responsibility for the technical adequacy of its work. The review, approval, acceptance or payment for any of the services shall not be construed as a waiver of any rights that the State may have arising out of the contractor's performance of this contract.

#### **5.9 SUBSTITUTION OF STAFF**

If it becomes necessary for the contractor to substitute any management, supervisory or key personnel, the contractor will identify the substitute personnel and the work to be performed.

The contractor must provide detailed justification documenting the necessity for the substitution. Resumes must be submitted evidencing that the individual(s) proposed as substitution(s) have qualifications and experience equal to or better than the individual(s) originally proposed or currently assigned.

The contractor shall forward a request to substitute staff to the State Contract Manager for consideration and approval. No substitute personnel are authorized to begin work until the contractor has received written approval to proceed from the State Contract Manager.

#### **5.10 SUBSTITUTION OR ADDITION OF SUBCONTRACTOR(S)**

Not applicable to this procurement

#### **5.11 OWNERSHIP OF MATERIAL**

All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the State of New Jersey and shall be delivered to the State of New Jersey upon 30 days notice by the State. With respect to software computer programs and/or source codes developed for the State, the work shall be considered "work for hire", i.e., the State, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of law, be a work made for hire in accordance with the terms of this Agreement, contractor or subcontractor hereby assigns to the State all right, title and interest in and to any copyright, and the State shall have the right to obtain and hold in its own name any copyrights, registrations and any other proprietary rights that may be available. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Agreement, contractor or subcontractor hereby assigns to the State all right, title and interest in and to any such material, and the State shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

#### **5.12 DATA CONFIDENTIALITY**

All financial, statistical, personnel and/or technical data supplied by the State to the contractor are confidential. The contractor is required to use reasonable care to protect the confidentiality of such data. Any use, sale or offering of this data in any form by the contractor, or any individual or entity in the contractor's charge or employ, will be considered a violation of this contract and may result in contract termination and the contractor's suspension or debarment from State contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

#### **5.13 NEWS RELEASES**

The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this contract without the prior written consent of the Director.

#### 5.14 ADVERTISING

The contractor shall not use the State's name, logos, images, or any data or results arising from this contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

#### 5.15 LICENSES AND PERMITS

The contractor shall obtain and maintain in full force and effect all required licenses, permits, and authorizations necessary to perform this contract. The contractor shall supply the State Contract Manager with evidence of all such licenses, permits and authorizations. This evidence shall be submitted subsequent to the contract award. All costs associated with any such licenses, permits and authorizations must be considered by the bidder in its bid proposal.

#### 5.16 CLAIMS AND REMEDIES

##### 5.16.1 CLAIMS

All claims asserted against the State by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

##### 5.16.2 REMEDIES

Nothing in the contract shall be construed to be a waiver by the State of any warranty, expressed or implied, or any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.

##### 5.16.3 REMEDIES FOR NON-PERFORMANCE

In the event the contractor fails to comply with any material contract requirement, the Director may take steps to terminate the contract in accordance with the State Administrative Code. In this event, the Director may authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor.

#### 5.17 RETAINAGE

None.

#### 5.18 STATE'S OPTION TO REDUCE SCOPE OF WORK

The State has the option, in its sole discretion, to reduce the scope of work for any task or subtask called for under this contract. In such an event, the Director shall provide advance written notice to the contractor.

Upon receipt of such written notice, the contractor will submit, within five (5) working days to the Director and the State Contract Manager, an itemization of the work effort already completed by task or subtask. The contractor shall be compensated for such work effort according to the applicable portions of its cost proposal.

#### 5.19 SUSPENSION OF WORK

The State Contract Manager may, for valid reason, issue a stop order directing the contractor to suspend work under the contract for a specific time. The contractor shall be paid until the effective date of the stop order. The contractor shall resume work upon the date specified in the stop order or upon such other date as the State Contract Manager may thereafter direct in writing. The period of suspension shall be deemed

added to the contractor's approved schedule of performance. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

## **5.20 CHANGE IN LAW**

Whenever an unforeseen change in applicable law or regulation affects the services that are the subject of this contract, the contractor shall advise the State Contract Manager and the Director in writing and include in such written transmittal any estimated increase or decrease in the cost of its performance of the services as a result of such change in law or regulation. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

## **5.21 ADDITIONAL WORK AND/OR SPECIAL PROJECTS**

The contractor shall not begin performing any additional work or special projects without first obtaining written approval from both the State Contract Manager and the Director.

In the event of additional work and/or special projects, the contractor must present a written proposal to perform the additional work to the State Contract Manager. The proposal should provide justification for the necessity of the additional work. The relationship between the additional work and the base contract work must be clearly established by the contractor in its proposal.

The contractor's written proposal must provide a detailed description of the work to be performed broken down by task and subtask. The proposal should also contain details on the level of effort, including hours, labor categories, etc., necessary to complete the additional work.

The written proposal must detail the cost necessary to complete the additional work in a manner consistent with the contract. The written cost proposal must be based upon the hourly rates, unit costs or other cost elements submitted by the contractor in the contractor's original bid proposal submitted in response to this RFP. Whenever possible, the cost proposal should be a firm, fixed cost to perform the required work. The firm fixed price should specifically reference and be tied directly to costs submitted by the contractor in its original bid proposal. A payment schedule, tied to successful completion of tasks and subtasks, must be included.

Upon receipt and approval of the contractor's written proposal, the State Contract Manager shall forward same to the Director for the Director's written approval. Complete documentation from the Using Agency, confirming the need for the additional work, must be submitted. Documentation forwarded by the State Contract Manager to the Director must all include all other required State approvals, such as those that may be required from the State of New Jersey's Office of Management and Budget (OMB) and Office of Information and Technology (OIT).

No additional work and/or special project may commence without the Director's written approval. In the event the contractor proceeds with additional work and/or special projects without the Director's written approval, it shall be at the contractor's sole risk. The State shall be under no obligation to pay for work performed without the Director's written approval.

## **5.22 FORM OF COMPENSATION AND PAYMENT**

This Section supplements Section 4.5 of the RFP's Standard Terms and Conditions. The contractor must submit an itemized bill to the Using Agency with supporting documentation evidencing that work for which payment is sought has been satisfactorily completed. Bills must reference the tasks or subtasks detailed in the Scope of Work section of the RFP and must be in strict accordance with the firm, fixed prices submitted for each task or subtask on the RFP pricing sheets. When applicable, bills should reference the appropriate RFP price sheet line number from the contractor's bid proposal. All invoices must be approved by the State Contract Manager before payment will be authorized.

Itemized bills must also be submitted for any special projects, additional work or other items properly authorized and satisfactorily completed under the contract. Itemized bills shall be submitted according to the payment schedule agreed upon when the work was authorized and approved. Payment can only be made for work when it has received all required written approvals and has been satisfactorily completed.

## **6.0 PROPOSAL EVALUATION/CONTRACT AWARD**

### **6.1 PROPOSAL EVALUATION COMMITTEE**

Bid proposals may be evaluated by an Evaluation Committee composed of members of affected departments and agencies together with representative(s) from the Purchase Bureau. Representatives from other governmental agencies may also serve on the Evaluation Committee. On occasion, the Evaluation Committee may choose to make use of the expertise of outside consultant in an advisory role.

### **6.2 ORAL PRESENTATION AND/OR CLARIFICATION OF BID PROPOSAL**

A bidder may be required to give an oral presentation to the Evaluation Committee concerning its bid proposal. The Evaluation Committee may also require a bidder to submit written responses to questions regarding its bid proposal.

The purpose of such communication with a bidder, either through an oral presentation or a letter of clarification, is to provide an opportunity for the bidder to clarify or elaborate on its bid proposal. Original bid proposals submitted, however, cannot be supplemented, changed, or corrected in any way. No comments regarding other bid proposals are permitted. Bidders may not attend presentations made by their competitors.

It is within the Evaluation Committee's discretion whether to require a bidder to give an oral presentation or require a bidder to submit written responses to questions regarding its bid proposal. Action by the Evaluation Committee in this regard should not be construed to imply acceptance or rejection of a bid proposal. The Purchase Bureau buyer will be the sole point of contact regarding any request for an oral presentation or clarification.

### **6.3 EVALUATION CRITERIA**

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate bid proposals received in response to this RFP. The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process:

#### **6.3.1 THE BIDDER'S GENERAL APPROACH AND PLANS IN MEETING THE REQUIREMENTS OF THIS RFP**

- A. The bidder's general approach and plans in meeting the requirements of this RFP.
- B. The bidder's detailed approach and plans to perform the services required by the Scope of Work of this RFP.
- C. The bidder's documented experience in successfully completing contracts of a similar size and scope to the work required by this RFP.
- D. The qualifications and experience of the bidder's management, supervisory or other key personnel assigned to the contract, with emphasis on documented experience in successfully completing work on contracts of similar size and scope to the work required by this RFP.
- E. The overall ability of the bidder to mobilize, undertake and successfully complete the contract. This judgment will include, but not be limited to, the following factors: the number and qualifications of management, supervisory and other staff proposed by the bidder to complete the contract, the availability and commitment to the contract of the bidder's management, supervisory and other staff proposed and the bidder's contract management plan, including the bidder's contract organizational chart.

#### **6.3.2 THE BIDDER'S COST PROPOSAL**

For evaluation purposes, bidders will be ranked according to the total bid price in [Attachment 4](#)

#### 6.4 CONTRACT AWARD

The contract shall be awarded with reasonable promptness by written notice to that responsible bidder whose bid proposal, conforming to the RFP, will be most advantageous to the State, price and other factors considered. Any or all bids may be rejected when the State Treasurer or the Director of the Division of Purchase and Property determines that it is in the public interest so to do.

## **7.0 ATTACHMENTS, SUPPLEMENTS AND APPENDICES**

**ATTACHMENTS** - To be submitted with bid proposal.

1. Ownership Disclosure Form
2. MacBride Principles Form
3. Affirmative Action Supplement Forms
4. Price Schedule
5. Reciprocity Form (*Optional*)

### **APPENDICES**

1. New Jersey Standard Terms and Conditions
2. Set-Off for State Tax Notice



# ATTACHMENT 1 - OWNERSHIP DISCLOSURE FORM

## OWNERSHIP DISCLOSURE FORM

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE & PROPERTY  
STATE OF NEW JERSEY  
33 W. STATE ST., 9TH FLOOR  
PO BOX 230  
TRENTON, NEW JERSEY 08625-0230

BID NUMBER: 04-X-35654

BIDDER: \_\_\_\_\_  
\_\_\_\_\_

**INSTRUCTIONS:** Provide below the names, home addresses, dates of birth, offices held and any ownership interest of all officers of the firm named above. If additional space is necessary, provide on an attached sheet.

| <u>NAME</u> | <u>HOME ADDRESS</u> | <u>DATE OF BIRTH</u> | <u>OFFICE HELD</u> | <u>OWNERSHIP INTEREST</u><br>(Shares Owned or % of Partnership) |
|-------------|---------------------|----------------------|--------------------|---|
| _____       | _____               | _____                | _____              | _____   |
| _____       | _____               | _____                | _____              | _____   |
| _____       | _____               | _____                | _____              | _____   |

**INSTRUCTIONS:** Provide below the names, home addresses, dates of birth, and ownership interest of all individuals not listed above, and any partnerships, corporations and any other owner having a 10% or greater interest in the firm named above. If a listed owner is a corporation or partnership, provide below the same information for the holders of 10% or more interest in that corporation or partnership. If additional space is necessary, provide that information on an attached sheet. **If there are no owners with 10% or more interest in your firm, enter "None" below.** Complete the certification at the bottom of this form. If this form has previously been submitted to the Purchase Bureau in connection with another bid, indicate changes, if any, where appropriate, and complete the certification below.

| <u>NAME</u> | <u>HOME ADDRESS</u> | <u>DATE OF BIRTH</u> | <u>OFFICE HELD</u> | <u>OWNERSHIP INTEREST</u><br>(Shares Owned or % of Partnership) |
|-------------|---------------------|----------------------|--------------------|---|
| _____       | _____               | _____                | _____              | _____   |
| _____       | _____               | _____                | _____              | _____   |
| _____       | _____               | _____                | _____              | _____   |

### COMPLETE ALL QUESTIONS BELOW

- |   | <u>YES</u> | <u>NO</u> |
|---|------------|-----------|
| 1. Within the past five years has another company or corporation had a 10% or greater interest in the firm identified above?<br>(If yes, complete and attach a separate disclosure form reflecting previous ownership interests.)   | _____      | _____     |
| 2. Has any person or entity listed in this form or its attachments ever been arrested, charged, indicted or convicted in a criminal or disorderly persons matter by the State of New Jersey, any other State or the U.S. Government? (If yes, attach a detailed explanation for each instance.)   | _____      | _____     |
| 3. Has any person or entity listed in this form or its attachments ever been suspended, debarred or otherwise declared ineligible by any agency of government from bidding or contracting to provide services, labor, material, or supplies? (If yes, attach a detailed explanation for each instance.)   | _____      | _____     |
| 4. Are there now any criminal matters or debarment proceedings pending in which the firm and/or its officers and/or managers are involved? (If yes, attach a detailed explanation for each instance.)   | _____      | _____     |
| 5. Has any Federal, State or Local license, permit or other similar authorization, necessary to perform the work applied for herein and held or applied for by any person or entity listed in this form, been suspended or revoked, or been the subject or any pending proceedings specifically seeking or litigating the issue of suspension or revocation? (If yes, attach a detailed explanation for each instance.) | _____      | _____     |

**CERTIFICATION:** I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein and thereby acknowledge that **I am under a continuing obligation from the date of this certification through the completion of any contracts with the State to notify the State in writing of any changes to the answers or information contained herein.** I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and that the State at its option, may declare any contract(s) resulting from this certification void and unenforceable.

I, being duly authorized, certify that the information supplied above, including all attached pages, is complete and correct to the best of my knowledge, I certify that all of the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

FEIN/SSN#: \_\_\_\_\_

Date \_\_\_\_\_

**ATTACHMENT 2 - MACBRIDE PRINCIPLES FORM**

**NOTICE TO ALL BIDDERS**  
**REQUIREMENT TO PROVIDE A CERTIFICATION**  
**IN COMPLIANCE WITH MACBRIDE PRINCIPLES**  
**AND NORTHERN IRELAND ACT OF 1989**

Pursuant to Public Law 1995, c. 134, a responsible bidder selected, after public bidding, by the Director of the Division of Purchase and Property, pursuant to N.J.S.A. 52:34-12, or the Director of the Division of Building and Construction, pursuant to N.J.S.A. 52:32-2, must complete the certification below by checking one of the two representations listed and signing where indicated. If a bidder who would otherwise be awarded a purchase, contract or agreement does not complete the certification, then the Directors may determine, in accordance with applicable law and rules, that it is in the best interest of the State to award the purchase, contract or agreement to another bidder who has completed the certification and has submitted a bid within five (5) percent of the most advantageous bid. If the Directors find contractors to be in violation of the principles which are the subject of this law, they shall take such action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I certify, pursuant to N.J.S.A. 52:34-12.2 that the entity for which I am authorized to bid:

- \_\_\_\_\_ has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein through the operation of offices, plants, factories, or similar facilities, either directly or indirectly, through intermediaries, subsidiaries or affiliated companies over which it maintains effective control; or
- \_\_\_\_\_ will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.8 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

\_\_\_\_\_  
**Signature of Bidder**

\_\_\_\_\_  
**Name (Type or Print)**

\_\_\_\_\_  
**Title Name (Type or Print)**

\_\_\_\_\_  
**Name of Company Name (Type or Print)**

\_\_\_\_\_  
**Date**

## **ATTACHMENT 3 – AFFIRMATIVE ACTION SUPPLEMENT**

|  |   |
|--|---|
| <b>AFFIRMATIVE ACTION</b><br>DEPT OF THE TREASURY<br>DIVISION OF PURCHASE & PROPERTY<br>STATE OF NEW JERSEY<br>33 WEST STATE STREET, 9TH FLOOR<br>PO BOX 230<br>TRENTON, NEW JERSEY 08625-0230 | <b>TERM CONTRACT - ADVERTISED BID PROPOSAL</b><br>BID NUMBER: 04-X-35654<br><br>NAME OF BIDDER:<br><hr style="border: 0; border-top: 1px solid black; margin-top: 5px;"/> |
|--|---|

**SUPPLEMENT TO BID SPECIFICATIONS**

**DURING THE PERFORMANCE OF THIS CONTRACT, THE CONTRACTOR AGREES AS FOLLOWS:**

1. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, WILL NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION. THE CONTRACTOR WILL TAKE AFFIRMATIVE ACTION TO ENSURE THAT SUCH APPLICANTS ARE RECRUITED AND EMPLOYED, AND THAT EMPLOYEES ARE TREATED DURING EMPLOYMENT, WITHOUT REGARD TO THEIR AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION. SUCH ACTION SHALL INCLUDE, BUT NOT BE LIMITED TO THE FOLLOWING: EMPLOYMENT, UPGRADING, DEMOTION, OR TRANSFER; RECRUITMENT OR RECRUITMENT ADVERTISING; LAYOFF OR TERMINATION; RATES OF PAY OR OTHER FORMS OF COMPENSATION; AND SELECTION FOR TRAINING, INCLUDING APPRENTICESHIP. THE CONTRACTOR AGREES TO POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, NOTICES TO BE PROVIDED BY THE PUBLIC AGENCY COMPLIANCE OFFICER SETTING FORTH PROVISIONS OF THIS NONDISCRIMINATION CLAUSE;
2. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE WILL, IN ALL SOLICITATIONS OR ADVERTISEMENTS, FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE CONTRACTOR, STATE THAT ALL QUALIFIED APPLICANTS WILL RECEIVE CONSIDERATION FOR EMPLOYMENT WITHOUT REGARD TO AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION.
3. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, WILL SEND TO EACH LABOR UNION OR REPRESENTATIVE OR WORKERS WITH WHICH IT HAS A COLLECTIVE BARGAINING AGREEMENT OR OTHER CONTRACT OR UNDERSTANDING, A NOTICE, TO BE PROVIDED BY THE AGENCY CONTRACTING OFFICER ADVISING THE LABOR UNION OR WORKERS' REPRESENTATIVE OF THE CONTRACTOR'S COMMITMENTS UNDER THIS ACT AND SHALL POST COPIES OF THE NOTICE IN CONSPICUOUS PLACES AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT.
4. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, AGREES TO COMPLY WITH THE REGULATIONS PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME AND THE AMERICANS WITH DISABILITIES ACT.
5. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO ATTEMPT IN GOOD FAITH TO EMPLOY MINORITY AND FEMALE WORKERS CONSISTENT WITH THE APPLICABLE COUNTY EMPLOYMENT GOALS PRESCRIBED BY N.J.A.C. 17:27-5.2 PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME OR IN ACCORDANCE WITH A BINDING DETERMINATION OF THE APPLICABLE COUNTY EMPLOYMENT GOALS DETERMINED BY THE AFFIRMATIVE ACTION OFFICE PURSUANT TO N.J.A.C. 17:27-5.2 PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME.
6. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO INFORM IN WRITING APPROPRIATE RECRUITMENT AGENCIES IN THE AREA, INCLUDING EMPLOYMENT AGENCIES, PLACEMENT BUREAUS, COLLEGES, UNIVERSITIES, LABOR UNIONS, THAT IT DOES NOT DISCRIMINATE ON THE BASIS OF AGE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION, AND THAT IT WILL DISCONTINUE THE USE OF ANY RECRUITMENT AGENCY WHICH ENGAGES IN DIRECT OR INDIRECT DISCRIMINATORY PRACTICES.
7. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO REVISE ANY OF ITS TESTING PROCEDURES, IF NECESSARY, TO ASSURE THAT ALL PERSONNEL TESTING CONFORMS WITH THE PRINCIPLES OF JOB-RELATED TESTING, AS ESTABLISHED BY THE STATUTES AND COURT DECISIONS OF THE STATE OF NEW JERSEY AND AS ESTABLISHED BY APPLICABLE FEDERAL LAW AND APPLICABLE FEDERAL COURT DECISIONS.
8. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO REVIEW ALL PROCEDURES RELATING TO TRANSFER, UPGRADING, DOWNGRADING AND LAYOFF TO ENSURE THAT ALL SUCH ACTIONS ARE TAKEN WITHOUT REGARD TO AGE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION, AND CONFORM WITH THE APPLICABLE EMPLOYMENT GOALS, CONSISTENT WITH THE STATUTES AND COURT DECISIONS OF THE STATE OF NEW JERSEY, AND APPLICABLE FEDERAL LAW AND APPLICABLE FEDERAL COURT DECISIONS.

THE CONTRACTOR AND ITS SUBCONTRACTORS SHALL FURNISH SUCH REPORTS OR OTHER DOCUMENTS TO THE AFFIRMATIVE ACTION OFFICE AS MAY BE REQUESTED BY THE OFFICE FROM TIME TO TIME IN ORDER TO CARRY OUT THE PURPOSES OF THESE REGULATIONS, AND PUBLIC AGENCIES SHALL FURNISH SUCH INFORMATION AS MAY BE REQUESTED BY THE AFFIRMATIVE ACTION OFFICE FOR CONDUCTING A COMPLIANCE INVESTIGATION PURSUANT TO SUBCHAPTER 10 OF THE ADMINISTRATIVE CODE (NJAC17:27).

**\* NO FIRM MAY BE ISSUED A PURCHASE ORDER OR CONTRACT WITH THE STATE UNLESS THEY COMPLY WITH THE AFFIRMATIVE ACTION REGULATIONS**

**PLEASE CHECK APPROPRIATE BOX (ONE ONLY)**

☐ I HAVE A CURRENT NEW JERSEY AFFIRMATIVE ACTION CERTIFICATE, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).  
☐ I HAVE A VALID FEDERAL AFFIRMATIVE ACTION PLAN APPROVAL LETTER, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).  
☐ I HAVE COMPLETED THE ENCLOSED FORM AA302 AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT.

# INSTRUCTIONS FOR COMPLETING THE AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT (FORM AA302)

## IMPORTANT:

READ THE FOLLOWING INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE FORM. PRINT OR TYPE ALL INFORMATION. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM MAY DELAY ISSUANCE OF YOUR CERTIFICATE.

**Item 1** - Enter the Federal Identification Number assigned to the Contractor or vendor by the Internal Revenue Service, or if a Federal Employer Identification Number has been applied for, but not yet issued, write the words "applied for",

or

If your business is such that you have not, or will not receive a Federal Employer Identification Number, enter the Social Security Number assigned to the single owner or to a partner, in case of partnership.

**Item 2** - Check the box appropriate to your TYPE OF BUSINESS. If you are engaged in more than one type of business, check the predominant one. If you are a manufacturer deriving more than 50% of your receipts from your own retail outlets, check "Retail".

**Item 3** - Enter the total "number" of employees in the entire company, including part-time employees. This number shall include all facilities in the entire firm or corporation.

**Item 4** - Enter the name by which the company is identified. If there is more than one company name, enter the predominant one.

**Item 5** - Enter the physical location of the company, include City, County, State and Zip Code.

**Item 6** - Enter the name of any parent or affiliated company including City, State and Zip Code. If there is none, so indicate by entering "None" or N/A.

**Item 7** - Check the appropriate box for the total number of employees in the entire company. "Entire Company" shall include all facilities in the entire firm or corporation, including part-time employees, not use those employees at the facility being awarded the contract.

**Item 8** - Check the box appropriate to your type of company establishment. Single-establishment Employer shall include an employer whose business is conducted at more than one location.

**Item 9** - If multi-establishment was entered in Item 8, enter the number of establishments within the State of New Jersey.

**Item 10** - Enter the total number of employees at the establishment being awarded the contract.

**Item 11** - Enter the name of the Public Agency awarding the contract. Include City, State and Zip Code.

**Item 12** - Enter the appropriate figures on all lines and in all columns. THIS SHALL ONLY INCLUDE EMPLOYMENT DATA FROM THE FACILITY THAT IS BEING AWARDED THE CONTRACT. DO NOT list the same employee in more than one job category.

Racial/Ethnic Groups will be so defined:

Black: Not of Hispanic origin. Persons have origin in any of the Black racial groups of Africa.

Hispanic: Persons of Mexican, Puerto Rican, Cuban or Central or South American or other Spanish culture or origin, regardless of race.

American Indian or Alaskan Native: Persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

Asian or Pacific Islander: Persons having origin in any of the peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific Islands. This area includes for example, China, Japan, the Philippine Islands and Samoa.

**Item 13** - Check the appropriate box, if the race or ethnic group information was not obtained by 1 or 2, specify by what other means this was done in 3.

**Item 14** - Enter the dates of the payroll period used to prepare the employment data presented in Item 12.

**Item 15** - If this is the first time an Employee Information Report has been submitted for this company, check block "Yes".

**Item 16** - If the answer to Item 15 is "No", enter the date when the last Employee Information Report was submitted by this company.

**Item 17** - Print or type the name of the person completing this form. Include the signature, title and date.

**Item 18** - Enter the physical location where the form is being completed. Include City, State, Zip Code and Phone Number.

**State of New Jersey**

**AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT**

**IMPORTANT - READ INSTRUCTIONS ON PRIOR PAGE CAREFULLY BEFORE COMPLETING FORM. TYPE OR PRINT SHARP BALL POINT PEN. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM MAY DELAY ISSUANCE OF YOUR CERTIFICATE.**

**SECTION A - COMPANY IDENTIFICATION**

|  |   |   |
|--|---|---|
| 1. FID. NO. OR SOCIAL SECURITY   | 2. TYPE OF BUSINESS<br><input type="checkbox"/> 1. MFG. <input type="checkbox"/> 2. SERVICE <input type="checkbox"/> 3. WHOLESALE<br><input type="checkbox"/> 4. RETAIL <input type="checkbox"/> 5. OTHER | 3. TOTAL NO. OF EMPLOYEES IN THE ENTIRE COMPANY |
| 4. COMPANY NAME  |   |   |
| 5. STREET  | CITY  | COUNTY      STATE      ZIP CODE                 |
| 6. NAME OF PARENT OR AFFILIATED COMPANY (IF NONE, SO INDICATE)   |   | CITY      STATE      ZIP CODE                   |
| 7. DOES THE ENTIRE COMPANY HAVE A TOTAL OF AT LEAST 50 EMPLOYEES? <input type="checkbox"/> YES <input type="checkbox"/> NO                 |   |   |
| 8. CHECK ONE: IS THE COMPANY: <input type="checkbox"/> SINGLE-ESTABLISHMENT EMPLOYER <input type="checkbox"/> MULTI-ESTABLISHMENT EMPLOYER |   |   |
| 9. IF MULTI-ESTABLISHMENT EMPLOYER, STATE THE NUMBER OF ESTABLISHMENTS IN N.J.: [      ]   |   |   |
| 10. TOTAL NUMBER OF EMPLOYEES AT THE ESTABLISHMENT WHICH HAS BEEN AWARDED THE CONTRACT: [      ]   |   |   |
| 11. PUBLIC AGENCY AWARDED CONTRACT:  |   | CITY      STATE      ZIP CODE                   |

**OFFICIAL USE ONLY**

|                      |        |                                 |                                      |
|----------------------|--------|---------------------------------|--------------------------------------|
| <b>DATE RECEIVED</b> |        | <b>OUT OF STATE PERCENTAGES</b> | <b>ASSIGNED CERTIFICATION NUMBER</b> |
| MO/DAY/YR            | COUNTY | MINORITY      FEMALE            |                                      |

**SECTION B - EMPLOYMENT DATA**

12. Report all permanent, temporary and part-time employees ON YOUR OWN PAYROLL. Enter the appropriate figures on all lines and in all columns. Where there are no employees in a particular category, enter a zero. Include ALL employees, not just those in minority categories, in columns 1, 2, & 3.

| JOB CATEGORIES                                 | ALL EMPLOYEES                  |                |                  | MINORITY GROUP EMPLOYEES (PERMANENT) |          |                 |       |        |          |                 |       |
|--|--------------------------------|----------------|------------------|--------------------------------------|----------|-----------------|-------|--------|----------|-----------------|-------|
|  | Col. 1<br>TOTAL<br>(Cols. 2&3) | Col. 2<br>MALE | Col. 3<br>FEMALE | MALE                                 |          |                 |       | FEMALE |          |                 |       |
|  |                                |                |                  | BLACK                                | HISPANIC | AMERICAN INDIAN | ASIAN | BLACK  | HISPANIC | AMERICAN INDIAN | ASIAN |
| Officials and Managers                         |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| Professionals                                  |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| Technicians                                    |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| Sales Workers                                  |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| Office and Clerical                            |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| Craftworkers (Skilled)                         |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| Operatives (Semi-skilled)                      |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| Laborers (Unskilled)                           |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| Service Workers                                |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| <b>TOTAL</b>                                   |                                |                |                  |                                      |          |                 |       |        |          |                 |       |
| Total employment from Previous Report (if any) |                                |                |                  |                                      |          |                 |       |        |          |                 |       |

The data below shall NOT be included in the request for the categories above.

|  |  |  |  |  |  |   |  |  |  |  |  |
|--|--|--|--|--|--|---|--|--|--|--|--|
| Temporary and Part-time Employees  |  |  |  |  |  |   |  |  |  |  |  |
| 13. HOW WAS INFORMATION AS TO RACE OR ETHNIC GROUP IN SECTION B OBTAINED?<br><input type="checkbox"/> 1. VISUAL SURVEY <input type="checkbox"/> 2. EMPLOYMENT RECORD <input type="checkbox"/> 3. OTHER (SPECIFY) |  |  |  |  |  | 15. IS THIS THE FIRST EMPLOYEE INFORMATION REPORT (AA.302) SUBMITTED?<br><input type="checkbox"/> 1. YES <input type="checkbox"/> 2. NO |  |  | 16. IF NO, DATE OF LAST REPORT SUBMITTED<br>  MO.   DAY   YEAR |  |  |
| 14. DATES OF PAYROLL PERIOD USED   |  |  |  |  |  |   |  |  |  |  |  |

**SECTION C - SIGNATURE AND IDENTIFICATION**

|   |           |         |  |
|---|-----------|---------|--|
| 17. NAME OF PERSON COMPLETING FORM (PRINT OR TYPE)(?CONTRACTOR EEO OFFICER) | SIGNATURE | TITLE   | MO.   DAY   YEAR                                   |
| 18. ADDRESS (NO. & STREET)  | (CITY)    | (STATE) | (ZIP CODE)      PHONE (AREA CODE, NO. & EXTENSION) |

**FORM AA302**

## **ATTACHMENT 4 - PRICE SCHEDULE**

### **PRICE SCHEDULE**

| <b>Bid Item</b>        | <b>Description</b>                             | <b>Unit</b> | <b>Year 1</b> | <b>Year 2</b> | <b>Year 3</b> | <b>Total Price</b> |
|------------------------|--|-------------|---------------|---------------|---------------|--------------------|
| 1.                     | Fully Loaded Firm Fixed Fee Per Audit          | Each        |               |               |               | \$                 |
| 2.                     | Fully Loaded Firm Fixed Fee per Comfort Letter |             |               |               |               | \$                 |
| 3.                     | Fully Loaded Firm Fixed Fee per Verification   |             |               |               |               | \$                 |
| <b>Total Bid Price</b> |  |             | \$            |               |               | \$                 |

The bidder shall provide, as an attachment to the Price Schedule, a list of hourly rates that can be used in the event that Section 3.6 Litigation Support needs to be used during the term of the contract.

## **ATTACHMENT 5 - RECIPROCITY FORM**

(Optional Submission)

### **RECIPROCITY FORM**

### **IMPORTANT NOTICE TO ALL BIDDERS**

Effective October 7, 1991 in accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17:12-2.13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose State or locality maintains a preference practice for their bidders.

For States having preference laws, regulations, or practices, New Jersey will use the annual surveys compiled by the Council of State Governments, National Association of State Purchasing Officials, or the National Institute of Governmental Purchasing to invoke reciprocal actions. The State may obtain additional information anytime it deems appropriate to supplement the above survey information.

Any bidder may submit information related to preference practices enacted for a local entity outside the State of New Jersey. This information may be submitted in writing as part of the bid response proposal, and should be in the form of resolutions passed by an appropriate governing body, regulations, a Notice to Bidders, laws, etc. It is the responsibility of the bidder to provide the documentation with the bid proposal or submit it to the Director, Division of Purchase and Property within five (5) working days of the public bid opening. Written evidence for a specific procurement that is not provided to the Director within five working days of the public bid opening will not be considered in the evaluation of that procurement, but will be retained and considered in the evaluation of subsequent procurements.

Any bidder having evidence of out-of-State local entities invoking preference practices should complete the form below, with a copy of appropriate documentation. The form and documentation may be submitted with your bid response proposal.

-----  
**Name of Locality having preference practices:**

|                      |  |
|----------------------|--|
| City /Town/Authority |  |
| County               |  |
| State                |  |

☐ Documentation Attached

☐ Resolution

☐ Notice to Bidder

☐ Regulations/Laws

☐ Other \_\_\_\_\_

Name of Firm Submitting this information \_\_\_\_\_

*Please Print*

## **APPENDIX 1 NJ STATE STANDARD TERMS AND CONDITIONS**

### **STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS**

- I. Unless the bidder is specifically instructed otherwise In the Request for Proposal, the following terms and conditions will apply to all contracts or purchase agreements made with the State of New Jersey. These terms are in addition to the terms and conditions set forth in the Request for Proposal (RFP) and should be read in conjunction with same unless the RFP specifically indicates otherwise. If a bidder proposes changes or modifications or takes exception to any of the State's terms and conditions, the bidder must so state specifically in writing in the bid proposal. Any proposed change, modification or exception in the State's terms and conditions by a bidder will be a factor in the determination of an award of a contractor purchase agreement.
- II. All of the State's terms and conditions will become a part of any contract(s) or order(s) awarded as a result of the Request for Proposal, whether stated in part, in summary or by reference. In the event the bidder's terms and conditions conflict with the State's, the State's terms and conditions will prevail, unless the bidder is notified in writing of the State's acceptance of the bidder's terms and conditions.
- III. The statutes, laws or codes cited are available for review at the New Jersey State Library, 185 West State Street, Trenton, New Jersey 08625.
- IV. If awarded a contract or purchase agreement, the bidder's status shall be that of any independent principal and not as an employee of the State.

#### **1. STATE LAW REQUIRING MANDATORY COMPLIANCE BY ALL CONTRACTORS**

- 1.1 **BUSINESS REGISTRATION** - All New Jersey and out of State Corporations must obtain a Business Registration Certificate (BRC) from the Department of the Treasury, Division of Revenue prior to conducting business in the State of New Jersey. Proof of valid business registration with the Division of Revenue, Department of the Treasury, State of New Jersey, should be submitted by the bidder and, if applicable, by every subcontractor of the bidder, with the bidder's bid. No contract will be awarded without proof of business registration with the Division of Revenue. Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG. can be filed online at <http://www.state.nj.us/treasury/revenue/gettingregistered.htm#busentity>
- 1.2 **ANTI-DISCRIMINATION** - All parties to any contract with the State of New Jersey agree not to discriminate in employment and agree to abide by all anti-discrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A.10:5-1 et seq. and N.J.S.A.10:5-31 through 10:5-38, and all rules and regulations issued there under.
- 1.3 **PREVAILING WAGE ACT** - The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.26 et seq. is hereby made part of every contract entered into on behalf of the State of New Jersey through the Division of Purchase and Property, except those contracts which are not within the contemplation of the Act. The bidder's signature on this proposal is his guarantee that neither he nor any subcontractors he might employ to perform the work covered by this proposal has been suspended or debarred by the Commissioner, Department of Labor for violation of the provisions of the Prevailing Wage Act.
- 1.4 **AMERICANS WITH DISABILITIES ACT** - The contractor must comply with all provisions of the Americans With Disabilities Act (ADA), P.L 101-336, in accordance with 42 U.S.C. 12101 et seq.
- 1.5 **THE WORKER AND COMMUNITY RIGHT TO KNOW ACT** - The provisions of N.J.S.A. 34:5A-1 et seq. which require the labeling of all containers of hazardous substances are applicable to this contract. Therefore, all goods offered for purchase to the State must be labeled by the contractor in compliance with the provisions of the Act.
- 1.6 **OWNERSHIP DISCLOSURE** - Contracts for any work, goods or services cannot be issued to any corporation or partnership unless prior to or at the time of bid submission the bidder has disclosed the names and addresses of all its owners holding 10% or more of the corporation or partnership's stock or interest. Refer to N.J.S.A. 52:25-24.2.
- 1.7 **COMPLIANCE - LAWS** - The contractor must comply with all local, state and federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.
- 1.8 **COMPLIANCE - STATE LAWS** - It is agreed and understood that any contracts and/or orders placed as a result of this proposal shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the STATE OF NEW JERSEY.
- 1.9 **COMPLIANCE - CODES** - The contractor must comply with NJUCC and the latest NEC70, B.O.C.A. Basic Building code, OSHA and all applicable codes for this requirement. The contractor will be responsible for securing and paying all necessary permits, where applicable.



## **2. LIABILITIES**

- 2.1 LIABILITY - COPYRIGHT** - The contractor shall hold and save the State of New Jersey, its officers, agents, servants and employees, harmless from liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of his contract.
- 2.2 INDEMNIFICATION** - The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or materials supplied under this contract. This indemnification obligation is not limited by, but is in addition to the insurance obligations contained in this agreement.
- 2.3 INSURANCE** - The contractor shall secure and maintain in force for the term of the contract liability insurance as provided herein. The contractor shall provide the State of New Jersey with current certificates of insurance for all coverages and renewals thereof which must contain the proviso that the insurance provided in the certificate shall not be canceled for any reason except after thirty days written notice to:

STATE OF NEW JERSEY  
Purchase Bureau - Bid Ref.#

The insurance to be provided by the contractor shall be as follows.

- a. General liability policy as broad as the standard coverage forms currently in use in the State of New Jersey which shall not be circumscribed by any endorsements limiting the breadth of coverage. The policy shall be endorsed to include:
1. BROAD FORM COMPREHENSIVE GENERAL LIABILITY
  2. PRODUCTS/COMPLETED OPERATIONS
  3. PREMISES/OPERATIONS

The limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.

- b. Automobile liability insurance which shall be written to cover any automobile used by the insured. Limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.
- c. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than

\$100,000 BODILY INJURY, EACH OCCURRENCE  
\$100,000 DISEASE EACH EMPLOYEE  
\$500,000 DISEASE AGGREGATE LIMIT

## **3. TERMS GOVERNING ALL PROPOSALS TO NEW JERSEY PURCHASE BUREAU**

- 3.1 CONTRACT AMOUNT** - The estimated amount of the contract(s), when stated on the Advertised Request for Proposal form, shall not be construed as either the maximum or minimum amount which the State shall be obliged to order as the result of this Request for Proposal or any contract entered into as a result of this Request for Proposal.
- 3.2 CONTRACT PERIOD AND EXTENSION OPTION** - If, in the opinion of the Director of the Division of Purchase and Property, it is in the best interest of the State to extend an contract entered into as a result of this Request for Proposal, the contractor will be so notified of the Director's Intent at least 30 days prior to the expiration date of the existing contract. The contractor shall have 15 calendar days to respond to the Director's request to extend the contract. If the contractor agrees to the extension, all terms and conditions of the original contract, including price, will be applicable.

### **3.3 BID AND PERFORMANCE SECURITY**

- a. Bid Security - If bid security is required, such security must be submitted with the bid in the amount listed in the Request for Proposal, see N.J.A.C. 17: 12- 2.4. Acceptable forms of bid security are as follows:
1. A properly executed individual or annual bid bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.

2. The State will hold all bid security during the evaluation process. As soon as is practicable after the completion of the evaluation, the State will:

- a. Issue an award notice for those offers accepted by the State;
- b. Return all bond securities to those who have not been issued an award notice.

All bid security from contractors who have been issued an award notice shall be held until the successful execution of all required contractual documents and bonds (performance bond, insurance, etc. If the contractor fails to execute the required contractual documents and bonds within thirty (30) calendar days after receipt of award notice, the contractor may be found in default and the contract terminated by the State. In case of default, the State reserves all rights inclusive of, but not limited to, the right to purchase material and/or to complete the required work in accordance with the New Jersey Administrative Code and to recover any actual excess costs from the contractor. Collection against the bid security shall be one of the measures available toward the recovery of any excess costs.

- b. Performance Security - If performance security is required, the successful bidder shall furnish performance security in such amount on any award of a term contractor line item purchase, see N.J.A.C. 17: 12- 2.5. Acceptable forms of performance security are as follows:
  1. The contractor shall be required to furnish an irrevocable security in the amount listed in the Request for Proposal payable to the Treasurer, State of New Jersey, binding the contractor to provide faithful performance of the contract.
  2. The performance security shall be in the form of a properly executed individual or annual performance bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.

The Performance Security must be submitted to the State within 30 days of the effective date of the contract award and cover the period of the contract and any extensions thereof. Failure to submit performance security may result in cancellation of contract for cause pursuant to provision 3.5b,1, and nonpayment for work performed.

**3.4 VENDOR RIGHT TO PROTEST - INTENT TO AWARD** - Except in cases of emergency, bidders have the right to protest the Director's proposed award of the contract as announced in the Notice of Intent to Award, see N.J.A.C. 17:12-3.3. Unless otherwise stated, a bidder's protest must be submitted to the Director within 10 working days after receipt of written notification that his bid has not been accepted or that an award of contract has been made. In the public interest, the Director may shorten this protest period, but shall provide at least 48 hours for bidders to respond to a proposed award. In cases of emergency, stated in the record, the Director may waive the appeal period. See N.J.A.C. 17: 12- 3 et seq.

### **3.5 TERMINATION OF CONTRACT**

- a. Change of Circumstances

Where circumstances and/or the needs of the State significantly change, or the contract is otherwise deemed no longer to be in the public interest, the Director may terminate a contract entered into as a result of this Request for Proposal, upon no less than 30 days notice to the contractor with an opportunity to respond.

In the event of such termination, the contractor shall furnish to the using agency, free of charge, such reports as may be required,

- b. For cause:
  1. Where a contractor fails to perform or comply with a contract, and/or fails to comply with the complaints procedure in N.J.A.C. 17: 12-4.2 et seq., the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.
  2. Where a contractor continues to perform a contract poorly as demonstrated by formal complaints, late delivery, poor performance of service, short-shipping etc., so that the Director is repeatedly required to use the complaints procedure in N.J.A.C. 17:12-4.2 et seq. the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.
- c. In cases of emergency the Director may shorten the time periods of notification and may dispense with an opportunity to respond.
- d. In the event of termination under this section, the contractor will be compensated for work performed in accordance with the contract, up to the date of termination. Such compensation may be subject to adjustments.

**3.6 COMPLAINTS** - Where a bidder has a history of performance problems as demonstrated by formal complaints and/or contract cancellations for cause pursuant to 3.5b a bidder may be bypassed for this award. See N.J.A.C. 17:12-2.8.

**3.7 EXTENSION OF CONTRACT QUASI-STATE AGENCIES** - It is understood and agreed that in addition to State Agencies, Quasi-State Agencies may also participate in this contract. Quasi-State Agencies are defined in N.J.S.A. 52:27B-56.1 as any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member.

**3.8 EXTENSION OF CONTRACTS TO POLITICAL SUBDIVISIONS, VOLUNTEER FIRE DEPARTMENTS AND FIRST AID SQUADS, AND INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION - N.J.S.A. 52:25-16.1** permits counties, municipalities and school districts to participate in any term contract(s), that may be established as a result of this proposal.

N.J.S.A. 52:25-16.2 permits volunteer fire departments, volunteer first aid squads and rescue squads to participate in any term contract(s) that may be established as a result of this proposal.

N.J.S.A. 52:25-16.5 permits independent institutions of higher education to participate in any term contract(s) that may be established as a result of this proposal, provided that each purchase by the Independent Institution of higher education shall have a minimum cost of \$500.

In order for the State contract to be extended to counties, municipalities, school districts, volunteer fire departments, first aid squads and independent institutions of higher education the bidder must agree to the extension and so state in his bid. proposal. The extension to counties municipalities, school districts, volunteer fire departments, first aid squads and Independent Institutions of higher education must 'be under the same terms and conditions, including price, applicable to the State.

**3.9 EXTENSIONS OF CONTRACTS TO COUNTY COLLEGES - N.J.S.A. 18A:64A - 25. 9** permits any college to participate in any term contract(s) that may be established as a result of this proposal.

**3.10 EXTENSIONS OF CONTRACTS TO STATE COLLEGES - N.J.S.A. 18A:64- 60** permits any State College to participate in any term contract(s) that may be established as a result of this proposal.

**3.11 SUBCONTRACTING OR ASSIGNMENT** - The contract may not be subcontracted or assigned by the contractor, in whole or in part, without the prior written consent of the Director of the Division of Purchase and Property. Such consent, if granted, shall not relieve the contractor of any of his responsibilities under the contract.

In the event the bidder proposes to subcontract for the services to be performed under .the terms of the contract award, he shall state so in his bid and attach for approval a list of said subcontractors and an Itemization of the products and/or services to be supplied by them.

Nothing contained in the specifications shall be construed as creating any contractual relationship between any subcontractor and the State.

**3.12 MERGERS, ACQUISITIONS** - If, subsequent to the award of any contract resulting from this Request for Proposal, the contractor shall merge with or be acquired by another firm, the following documents must be submitted to the Director, Division of Purchase & Property.

- a. Corporate resolutions prepared by the awarded contractor and new entity ratifying acceptance of the original contract, terms, conditions and prices.
- b. State of New Jersey Bidders Application reflecting all updated information including ownership disclosure, pursuant to provision 1.5.
- c. Vendor Federal Employer Identification Number.

The documents must be submitted within thirty (30) days of completion of the merger or acquisition. Failure to do so may result in termination of contract pursuant to provision 3.5b.

If subsequent to the award of any contract resulting from this Request for Proposal, the contractor's partnership or corporation shall dissolve, the Director, Division of Purchase & Property must be so notified. All responsible parties of the dissolved partnership or corporation must submit to the Director in writing, the names of the parties proposed to perform the contract, and the names of the parties to whom payment should be made. No payment should be made until all parties to the dissolved partnership or corporation submit the required documents to the Director.

**3.13 PERFORMANCE GUARANTEE OF BIDDER** - The bidder hereby certifies that:

- a. The equipment offered is standard new equipment, and is the manufacturer's latest model in production, with parts regularly used for the type of equipment offered; that such parts are all in production and not likely to be discontinued; and that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice.

- b. All equipment supplied to the State and operated by electrical current is UL listed where applicable.
- c. All new machines are to be guaranteed as fully operational for the period stated in the Request For Proposal from time of written acceptance by the State. The bidder will render prompt service without charge, regardless of geographic location.
- d. Sufficient quantities of parts necessary for proper service to equipment will be maintained at distribution points and service headquarters.
- e. Trained mechanics are regularly employed to make necessary repairs to equipment in the territory from which the service request might emanate within a 48-hour period or within the time accepted as industry practice.
- f. During the warranty period the contractor shall replace immediately any material which is rejected for failure to meet the requirements of the contract.
- g. All services rendered to the State shall be performed in strict and full accordance with the specifications stated in the contract. The contract shall not be considered complete until final approval by the State's using agency is rendered.

**3.14 DELIVERY GUARANTEES** - Deliveries shall be made at such time and in such quantities as ordered in strict accordance with conditions contained in the Request for Proposal.

The contractor shall be responsible for the delivery of material in first class condition to the State's using agency or the purchaser under this contract and in accordance with good commercial practice.

Items delivered must be strictly in accordance with the Request for Proposal.

In the event delivery of goods or services is not made within the number of days stipulated or under the schedule defined in the Request for Proposal, the using agency may be authorized to obtain the material or service from any available source, the difference in price, if any, to be paid by the contractor failing to meet his commitments.

**3.15 DIRECTOR'S RIGHT OF FINAL BID ACCEPTANCE** - The Director reserves the right to reject any or all bids, or to award in whole or in part if deemed to be in the best interest of the State to do so. The Director shall have authority to award orders or contracts to the vendor or vendors best meeting all specifications and conditions in accordance with N.J.S.A. 52:34-12. Tie bids will be awarded by the Director in accordance with N.J.A.C.17:12-2.1D.

**3.16 BID ACCEPTANCES AND REJECTIONS** - The provisions of N.J.A.C. 17:12-2.9, relating to the Director's right, to waive minor elements of non-compliance with bid specifications and N.J.A.C. 17: 12- 2.2 which defines causes for automatic bid rejection, apply to all proposals and bids.

**3.17 STATE'S RIGHT TO INSPECT BIDDER'S FACILITIES** - The State reserves the right to inspect the bidder's establishment before making an award, for the purposes of ascertaining whether the bidder has the necessary facilities for performing the contract.

The State may also consult with clients of the bidder during the evaluation of bids. Such consultation is intended to assist the State in making a contract award which is most advantageous to the State.

**3.18 STATE'S RIGHT TO REQUEST FURTHER INFORMATION** - The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the, bidder s financial capabilities to perform the contract. Further, the Director reserves the right to request a bidder to explain, in detail, how the bid price was determined.

**3.19 MAINTENANCE OF RECORDS** - The contractor shall maintain records for products and/or services delivered against the contract for a period of three (3) years from the date of final payment. Such records shall be made available to the, State upon request for purposes of conducting an audit or for ascertaining information regarding dollar volume or number of transactions.

**4. TERMS RELATING TO PRICE QUOTATION**

**4.1 PRICE FLUCTUATION DURING CONTRACT** - Unless otherwise noted by the State, all prices quoted shall be firm through issuance of contract or purchase order and shall not be subject to increase during the period of the contract.

In the event of a manufacturer's or contractor's price decrease during the contract period, the State shall receive the full benefit of such price reduction on any undelivered purchase order and on any subsequent order placed during the contract period. The Director of Purchase and Property must be notified, in writing, of any price reduction within five (5) days of the effective date.

Failure to report price reductions will result in cancellation of contract for cause, pursuant to provision 3.5b.1.

- 4.2 DELIVERY COSTS** - Unless otherwise noted in the Request for Proposal, all prices for items in bid proposals are to be submitted F.O.B. Destination. Proposals submitted other than F.O.B. Destination may not be considered. Regardless of the method of quoting shipments, the contractor shall assume all costs, liability and responsibility for the delivery of merchandise in good condition to the State's using agency or designated purchaser.

F.O.B. Destination does not cover "spotting" but does include delivery on the receiving platform of the ordering agency at any destination in the State of New Jersey unless otherwise specified. No additional charges will be allowed for any additional transportation costs resulting from partial shipments made at contractor's convenience when a single shipment is ordered. The weights and measures of the State's using agency receiving the shipment shall govern.

- 4.3 C.O.D. TERMS** - C.O.D. terms are not acceptable as part of a bid proposal and will be cause for rejection of a bid.

- 4.4 TAX CHARGES** - The State of New Jersey is exempt from State sales or use taxes and Federal excise taxes. Therefore, price quotations must not include such taxes. The State's Federal Excise Tax Exemption number is 22-75-0050K.

- 4.5 PAYMENT TO VENDORS** - Payment for goods and/or services purchased by the State will only be made against State Payment Vouchers. The State bill form in duplicate together with the original Bill of Lading, express receipt and other related papers must be sent to the consignee on the date of each delivery. Responsibility for payment rests with the using agency which will ascertain that the contractor has performed in a proper and satisfactory manner in accordance with the terms and conditions of the award. Payment will not be made until the using agency has approved payment.

For every contract the term of which spans more than one fiscal year, the State's obligation to make payment beyond the current fiscal year is contingent upon legislative appropriation and availability of funds.

The State of New Jersey now offers State contractors the opportunity to be paid through the MasterCard procurement card (p-card). A contractor's acceptance and a State Agency's use of the p-card, however, is optional. P-card transactions do not require the submission of either a contractor invoice or a State payment voucher. Purchasing transactions utilizing the p-card will usually result in payment to a contractor in three days. A Contractor should take note that there will be a transaction processing fee for each p-card transaction. To participate, a contractor must be capable of accepting the MasterCard card. For more information, call your bank or any merchant services company.

- 4.6 NEW JERSEY PROMPT PAYMENT ACT** - The New Jersey Prompt Payment Act N.J.S.A. 52:32-32 et seq. requires state agencies to pay for goods and services within sixty (60) days of the agency's receipt of a properly executed State Payment Voucher or within sixty (60) days of receipt and acceptance of goods and services, whichever is later. Properly executed performance security, when required, must be received by the state prior to processing any payments for goods and services accepted by state agencies. Interest will be paid on delinquent accounts at a rate established by the State Treasurer. Interest will not be paid until it exceeds \$5.00 per properly executed invoice.

Cash discounts and other payment terms included as part of the original agreement are not affected by the Prompt Payment Act.

- 4.7 RECIPROCITY** - In accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17: 12- 2. 13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose state or locality maintains a preference practice for their bidders.

- 5. CASH DISCOUNTS** - Bidders are encouraged to offer cash discounts based on expedited payment by the State. The State will make efforts to take advantage of discounts, but discounts will not be considered in determining the lowest bid.

- a. Discount periods shall be calculated starting from the next business day after the recipient has accepted the goods or services received a properly signed and executed State Payment Voucher form and, when required, a properly executed performance security, whichever is latest.
- b. The date on the check issued by the State in payment of that Voucher shall be deemed the date of the State's response to that Voucher.

- 6. STANDARDS PROHIBITING CONFLICTS OF INTEREST** - The following prohibitions on vendor activities shall apply to all contracts or purchase agreements made with the State of New Jersey, pursuant to Executive Order No. 189 (1988).

- a. No vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b and e., in the Department of the Treasury or any other agency with which such vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i., of any such officer or employee, or partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52: 13D-13g.
- b. The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor shall be reported in writing forthwith by the vendor to the Attorney General and the Executive Commission on Ethical Standards.

- c. No vendor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such vendor to, any State officer or employee or special State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52: 130-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.
- d. No vendor shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.
- e. No vendor shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the vendor or any other person.
- f. The provisions cited above in paragraph 6a through 6e shall not be construed to prohibit a State officer or employee or Special State officer or employee from receiving gifts from or contracting with vendors under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards may promulgate under paragraph 6c.

## **APPENDIX 2 - SET-OFF FOR STATE TAX NOTICE**

### **NOTICE TO ALL BIDDERS** **SET-OFF FOR STATE TAX NOTICE**

Please be advised that, pursuant to P.L. 1995, c. 159, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act.

The Director of the Division of Taxation shall give notice to the set-off to the taxpayer and provide an opportunity for a hearing within 30 days of such notice under the procedures for protests established under R.S. 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c.184 (c.52:32-32 et seq.), to the taxpayer shall be stayed.

